JPRS-LAM-88-002 7 JANUARY 1988



## JPRS Report

# Latin America

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### Latin America

**CONTENTS** 7 JANUARY 1988 JPRS-LAM-88-002 **BARBADOS BOLIVIA** Government Establishes National Council To Combat Contraband [PRESENCIA, 6 Nov 87] .......4 Key Points in Debt Agreement With USSR Highlighted [EL DIARIO, 8 Nov 87] ......4 Debt Agreement With USSR Lauded, More Scholarships Welcome **BRAZIL CHILE COLOMBIA CUBA** Youth Magazine on Religion, Problems With Military Service [Roberto Robaina Interview; SOMOS JOVENES, Jun 87] .......17 **DOMINICAN REPUBLIC** Unfavorable Trade Balance Jan-May 1987 [Jose Romero; LISTIN DIARIO, 20 Sep 87] ......24 Central Bank Decreases Money Supply by 800 Million Pesos **GUYANA** 

### **MEXICO**

Portraits of Cordoba Montoya, Other Salinas Aides Sketched [Oscar Hinojosa; PROCESO, Mexico City Metropolitan Area Cost-of-Living Data	19 Oct 87] 28
TRINIDAD AND TOBAGO	
Robinson Reports on Tour Abroad; Follow-Up Action Set	33
Robinson Remarks [DAILY EXPRESS, 2 Nov 87]	
Action Committee   TRINIDAD GUARDIAN, 5 Nov 87	33
Venezuela Seizes Eight Icacos Fishing Boats, Crews	34
Report on Arrests [TRINIDAD GUARDIAN, 5 Nov 87]	
Joint Fishing Talks TRINIDAD GUARDIAN 5 Nov 871	

### Forde Voices Support for Haynes' View of Public Service

32980083b Bridgetown WEEKEND NATION in English 13-14 Nov 87 p I

[Text] Leader of the Opposition Henry Forde agrees with Dr. Richie Haynes' assessment that the Ministry of the Public Service is "public nuisance No. 1."

In an interview yesterday, he echoed Haynes' call for abolition of the Ministry.

"Dr. Haynes is giving some support to what the Opposition said from the time the Ministry was created," said the be-spectacled attorney.

"Very early after the creation of that ministry, in Parliament we attacked the need for a separate ministry to deal with the public service."

Haynes, who earlier this year renounced his Ministry of Finance post to become a backbencher, made his call for scrapping the ministry at a meeting of the St. Michael East constituency branch of the Democratic Labour Party, last Sunday.

Forde said that in most countries looking after the public service was the role of the Prime Minister because it was a sensitive role, calling for proper balance of need.

Recalling the firings that followed the last general election, Forde said the statutory boards issue was "a scandal."

"The Ministry of the Public Service sought to enforce what it thought was its own rules on statutory boards. I was astounded that the ministry could be writing to independent companies in which Government have minority share interests to tell them the sort of financial information that must be given."

/06662

### **Police Commissioner Discusses 'Integrity' of Force**

32980084b Bridgetown BARBADOS ADVOCATE in English 6 Nov 87 p 1

[Text] There is a need for the Royal Barbados Police Force to avoid the development of "treacherous elements" in the force.

This was stated by Commissioner of Police, Mr. Orville Durant at a special luncheon in his honour yesterday. The luncheon brought together gazetted officers of the RBPF (from the rank of assistant superintendent upwards) to mark the fifth anniversary of Mr. Durant's appointment as Commissioner and to show the officer's support for the Commissioner at a time when he has come under much criticism.

Commissioner Durant said that the force should be united under the principle of integrity.

He added that the force should not allow itself to be used or abused for any partisan purposes. The Commissioner said that members of the RBPF must carry out their duties in an impartial manner.

#### **Create Direction**

Mr. Durant stated that when he was appointed as Commissioner he hoped to "create a new direction, a new vision and a higher quality of service" in the Royal Barbados Police Force. He added that he realised that this was an on-going task but that the closer the force got to achieving these goals, the better it would be working and therefore, the more the force would tend to irritate certain members of the society.

He stated that these persons would attempt to undermine the police force. He said that when he was appointed Commissioner, he realised that there would be times of high acclaim and also times of heavy criticism.

The Commissioner stated that he would always speak out on any topics that affected the force.

"They say I talk too much, that's all right. I have never heard of any effective leader who has not been told this."

### **Fellow Officers**

The Commissioner said that he would only shut up if his fellow officers told him it was time to shut up.

In concluding, the Commissioner said that the force was well on the way to achieving the goals he had first set out at the beginning of the appointment.

He said there was a cadre of young officers who would provide the RBPF with the type of leadership it needs and provide Barbados with the type of service it deserves.

/06662

Central Bank Official's Statement on Economy 32980055b Bridgetown BARBADOS ADVOCATE in English 19 Oct 87 p 6

[Text] General Manager of the Central Bank of Barbados Mr. E.H. Griffith hosted a news conference last Wednesday to discuss the Barbados economy for the period January to September, 1987.

The following is the text of Mr. Griffith's statement:

**BARBADOS** 

The level of real output during the first nine months of 1987 was slightly higher than for the same period in 1986. There was a remarkable improvement in summer tourism activity, supported by continued strong performance in construction and the distributive trade.

However, the gains in these sectors were eroded by the pronounced downturn in manufacturing and sugar output. As a result of Government borrowings this year and last, foreign exchange reserves remained ample, but export receipts fell off very badly and outflows for imports and debt service were quite heavy.

### **Slight Decline**

Government's fiscal position during the first nine months was relatively stronger than last year's, due largely to a much faster growth in revenue in the July to September period. The rate of inflation slowed even further, declining slightly to 1.6 per cent at the end of August from 2.2 per cent a year ago.

Unemployment figures for September are not yet available but continued difficulties in manufacturing may have led to a further raise from the June 1987 level of 18.3 per cent.

The sharp rise (22.7 per cent) in tourist arrivals for the first three months of the summer season (April-June) compensated for a dull winter season and for the first nine months of the year arrivals are estimated to have increased by 8.5 per cent over last year. Tourist traffic increased in response to promotional activities, the introduction of air tours from Europe and charters from Canada, lower hotel rates and the greater availability of passenger seats.

Apart from the Caricom market which contracted slightly, arrivals from all other major markets were up, with substantial increases from Canada and the United Kingdom during April 15 to June. Cruise ship passenger traffic was up by more than one half as the country benefited from a shift of business from the Mediterranean area.

#### Jobs Shed

Output in the severely depressed manufacturing sector declined by an estimated 12 per cent from January to September, reflecting the loss of Intel's output and the shedding of jobs by another large company during the April-June 1987 quarter.

Though there was some increase in output of processed food, most industrial firms have been unable to replace lost regional markets or penetrate new markets outside the region. There are indications of a slight upturn in the garment sector as a result of improved local sales as increased stamp duties have made extra-regional imports less competitive.

Sugar output of 83,432 tonnes was nearly 25 per cent below the output for 1986 and about seven per cent below what was originally projected to satisfy contractual markets.

Prolonged dry spells affected the yield of sugar per acre, resulting in the lowest output since 1948. The production of vegetables was also hampered by the extended dry season, and price of all vegetables rose substantially. Fish catches were nine per cent lower but the supply of chicken increased by nearly one-fifth and the milk production continued the upward trend of the past five years.

#### \$138m Deficit

Public sector road construction and rehabilitation, and the level of private house building sustained a buoyant construction sector. The demand for housing remained high with mortgage lending up \$26 million between December 1986 and June this year.

The Government deficit is estimated at \$138.6 million, \$6.4 million lower than for the first nine months of 1986. Current expenditure rose by 10 per cent as a result of arrears of wages and salaries for 1986/87 and higher debt service payments. Revenue grew by 7.8 per cent mainly because of a 22.9 per cent surge in tax collections in the July to September period.

The strong economic performance in 1986 kept company taxes and indirect taxes buoyant, more than offsetting the drop in personal income tax collections. The proceeds of the foreign borrowing (\$120 million) provided more than enough financing for the fiscal deficit, and reduced domestic financing requirements and hence Central Bank accommodation.

The proceeds from government's foreign borrowing and increased earnings from tourism strengthened the balance of payments somewhat. However, domestic exports for the first three quarters of 1987 were less than half their value in 1986.

### Imports Up

Exports to regional markets continued to decline, with sales in Trinidad and Tobago down by nearly 60 per cent. Raw material imports for the manufacturing sector were down but imports of consumer goods are estimated to have risen by nine per cent.

A very large increase in the number of tourist arrivals in the third quarter lifted the overall level of economic activity. Output to the end of June was just about the level for the first six months of 1986 but by the end of September a slight overall growth was estimated. Government's fiscal position improved during the third quarter, as a result of strong revenues from indirect taxation.

The deficit at the end of June was slightly worse than for the same period in 1986 but by the end of the third quarter of 1987 Government's position looked healthier than for the first nine months of 1986. A seasonal loss of reserves is usually experienced between June and September.

The 1987 outflows were heavy, though they were not so severe as in 1986.

/06091

Sandiford Offers Grim Forecast for 1988 Economy 32980084a Bridgetown CANA in English 1924 GMT 27 Nov 87

[Article by Reudon Eversley]

[Text] Bridgetown, Nov 17—Barbados Prime Minister Erskine Sandiford on Friday tentatively projected a possible two per cent economic growth here this year, but warned that the outlook for 1988 was "not rosy."

"...I expect to see some growth, however small, in the economy, and I would be more than happy if it reaches two per cent," Sandiford told his first televised news conference since becoming head of government nearly six months ago.

Sandiford, who has overall responsibility for the finance and economic affairs portfolios, ruled out the possibility of a repeat of last year's performance when the touristbased economy grew by five per cent, the highest level since 1980.

The prime minister's grim new year forecast was linked to present signs of instability in the world economy, given the susceptibility of the local economy to the ups and downs of the international system.

In the prevailing circumstances, he said government would modify its policies in response to any major changes as they occur. "We are going to get a major change in the handling of the economy of Barbados if there are major change or movements in the components of the economy. We will respond to the different factors which impact upon our economy," Sandiford told reporters.

Barbados' three dominant sectors are tourism, sugar and manufacturing.

Sandiford said reducing the "unacceptably high level" of unemployment remained a priority concern, and said government was attacking the problem "within a regional and a world situation which is not the most propitious..."

Latest figures for unemployment put the rate at 18.3 per cent at the end of September. Sandiford said the figure dropped marginally between that time and the middle of November, but was unable to give a new figure or the reason for the decline.

He said the solution to unemployment rested in finding mainly foreign markets for local products and attracting foreign investment. Sandiford said efforts were continuing to attract investors here. He announced he would meet next week with a group of Hong Kong businessmen interested in operating here.

Sandiford welcomed the declining value of the United States dollar on international currency markets. He said this development should enhance the island's attractiveness as a tourist destination, as well as bolster the country's export thrust "because it should make the goods and services which we have to sell more attractive and competitive...."

Given the prevailing economic climate, Sandiford did not support the idea of a wages freeze, but said it was imperative that Barbadians work harder and be more productive to raise the competitiveness of local exports.

"...If we are creative and if we are productive, our standard of living can increase...and to the extent that our national product is increasing, those increases may be passed on to workers."

Sandiford did not rule the possibility of increased taxation in the new year.

He said there were no plans at the moment to approach the International Monetary Fund...we have no plans for that at this time.... Barbados last turned to the IMF for support in the early 1980's, when it was faced with a similar slowdown.

/06662

### Government Establishes National Council To Combat Contraband

33480028a La Paz PRESENCIA in Spanish 6 Nov 87 pp 1, 8

[Text] The government has established a Mixed National Commission for Combating Smuggling, in which five ministries, five decentralized state bodies and three institutions representing the private sector will participate, pursuant to Decree 21752, which was officially promulgated yesterday.

This legal tool provides that the government "intends to make the functioning of the tax agencies as efficient as possible, within the framework of the new economic policy, the goals of which give special priority to the punishment of smuggling, because of its harmful effects on the national economy."

Consideration was also given to the fact that the national chambers of commerce and industry and customs agents have analyzed the smuggling problem, and their conclusions and suggestions were accepted because they are consistent with the goals of the government policy.

The decree in question established a council with the following composition: the ministers of tax collection, industry, labor, social services, transport and aeronautics, as well as the general directors of the customs, internal income, railroad and highway transport and civil aeronautics departments will represent the public sector.

The private sector will be represented by the presidents of the national chambers of industry, commerce and customs agents, as well as other trade-union institutions.

### Goals

The goals of the council will be to define overall policies and strategies for the punishment of smuggling and the prevention of customs fraud, with the undertaking of actions in the legal and institutional sectors to achieve the proposed goal and the coordination of efforts with the work of the mixed regional committees to which Article 4 refers. The council will be headed by the minister of tax collection, or alternatively, his colleague in industry and trade.

The decree also appointed mixed regional committees for combating smuggling made up of representatives of the ministries listed above and the customs and internal income administrators, as well as the managers of the private chambers and, finally, the municipal mayors and representatives of trade-union organizations.

The policies and strategies the council approves will be implemented by the regional committees, using the General Customs Office as a tool, consistent with the provisions contained in the Organic Law on Customs Administration, the Law on Combating Smuggling and the Customs Import Tariff, as well as the other legal norms governing foreign trade.

Finally, the council is authorized to accept as members local authorities and representatives of the productive sectors and civil and cultural institutions directly or indirectly interested in the punishment of smuggling.

5157

### Key Points in Debt Agreement With USSR Highlighted

33480028d La Paz EL DIARIO in Spanish 8 Nov 87 p 1

[Text] Bolivia will pay the Soviet Union \$10 million on its public and private debt in food products and cloth, according to the provisions of an agreement signed by the two nations.

Following the talks pursued by the members of the intergovernmental commission representing the two countries, the Soviet government decided to agree to the national recommendations and to accept payment in kind over a period which will begin on 1 January of next year and will run until 1997.

The substantive portion of the document signed reads as follows:

- "2. The amount of the debt referred to will be reduced by the amount equivalent to the contractual price of the machinery and equipment for Project Machacamarca, which will be returned by the COMIBOL to the Soviet MACHINOEXPORT agency between 1988 and 1997.
- 3. The delivery of products for the amortization of the debt will be carried out under normal commercial conditions at international prices for the products consistent with the right of reexport to third countries, subject to the prior agreement of the pertinent bodies in Bolivia, and provided that traditional Bolivian markets are not involved.
- 4. The parties will establish the procedures and the internal mechanism for amortizing the debt on the basis of this agreement, within a period of 2 months from the signing of this document.
- 5. The Soviet foreign trade organizations and the corresponding Bolivian firms and organizations will conclude contracts in the indicated amount of the debt for the supply of goods in accordance with this agreement.

6. The USSR Foreign Trade Bank and the Central Bank of Bolivia will determine the amount of the debt and will establish the technical order of payment and collection.

Bolivia will deliver sugar cane, coffee beans, cocoa paste, cocoa butter, rubber in rolls, sernamby rubber, laminated rubber slabs, meat and meat products, soybean-oil cakes, essential oil of lemon grass, essential oil of mint, chestnuts in the shell, shelled chestnuts, cotton thread, cotton wool (100 percent cotton), surgical gauze, gauze bandages, cotton cloth, wool suiting, cotton outer garments for men and children, rare wood veneers, wood parquet, and other nontraditional export items.

5157

### Debt Agreement With USSR Lauded, More Scholarships Welcome

33480028c La Paz PRESENCIA in Spanish 11 Nov 87 p 3

[Article by Emilio Perez Barrios: "Payment of the Debt in Kind"]

[Text] Representatives of the USSR and the Bolivian government held a lengthy meeting in Santa Cruz to analyze and find practical solutions to the problems resulting from the agreements signed by the two countries. Particularly notable among the subjects discussed and agreed upon is the fact that the Bolivian debt to the USSR will be paid in kind over a period ending on 31 December 1997. Specifically, Bolivia will pay off the sum of \$12 million in products such as cotton cloth and thread, soybean oil and meat. Also agreed upon was the return to the USSR of the machinery intended for installation at the vaporization plant in Machacamarca, where work has been suspended because of the drop in the price of tin. The return of \$5 million to Bolivia was also agreed upon.

The backward countries have been profoundly affected by the economic recession, the seriousness of which is even more alarming because of the stock-market crisis in New York. However, the main obstacle to their development and to healthy economic accounts is the foreign debt, and the world is now saturated with debtors. A large part of the income of various nations goes to paying off the foreign debt, and no creditor in the Western world is prepared to accept amortization in kind, products or raw materials. According to the traditional process, even the loans of the highly developed countries are attached, that is to say, they never send dollars, but the amount of the debt is sent to us in goods or machinery they themselves have produced. They lend us money so that we can purchase their products at the prices they themselves set. In a word, the foreign creditors profit from the high interest they collect from us and from the high prices of their products. This is the kind of aid the developed countries provide to the backward countries,

on behalf of the free world. As someone has said, for each dollar invested in or lent by the international companies to the Third World, they obtain \$3. The poor support the rich.

The agreement between the USSR and Bolivia is an unusual one, and is considered beneficial and positive. Its conditions take into account the difficult financial situation and the recession in the country. If Bolivia could pay the international bank all of its debts in kind, as is being done with the USSR, not only could the debt be amortized within a short time, but we would also enter into a period of unprecedented economic activity, and thus we could resolve almost all of our economic and financial problems. Dreaming costs nothing, but it would be a miracle if the Western capitalists were to accept payment in kind for the millions we all owe to the masters of world finance.

In recent years, international meetings have been held to discuss the foreign debt; the statements made have been various; and there have even been exhortations to pay or not pay a given percentage of income, but always with negative results. In the case of Bolivia, after multiple negotiation processes, some advances have been made, but in the final analysis, a part of our income must be coldly allocated for the payment of the foreign debt, while poverty and unemployment are a daily scourge.

In addition to the advantageous aspects of the agreement signed by the USSR and Bolivia, something is at least being done in the cultural sector, with the increase in the study scholarships to the USSR which will benefit hundreds of Bolivian secondary-school graduates who could not otherwise continue their studies on the university level for lack of resources.

5157

### Writer Says Debt Commitment Not National Priority

33480028e La Paz PRESENCIA in Spanish 6 Nov 87 p 3

[Article by Jaime Ponce Garcia: "Foreign Debt or Better Wages?"]

[Text] The clash between the government and the Bolivian Labor Central (COB) resulting from the submission of a list of demands by that trade-union body has become the focus of citizens' interest.

There have been strong statements on both sides. The one side calls the list "madness," while the other terms the increases announced as likely a humiliating "deception." The history of our country is filled with so many forms of madness and so many deceptions precisely because there have been many occasions on which the channels of dialogue were blocked, or simply did not exist in a way which would allow proper interaction and

**BOLIVIA** 

communication between the governors and the governed. This seems to be the case on this occasion as well, when an effort at dialogue is being made through the media and written documents—not the best tools for dealing with a subject so delicate and important.

One significant fact in the current circumstance is the antagonism seen between the immediate goals of the two parties. The government is concerned about improving its image abroad, maintaining control over inflation (almost obsessively) and dealing with the service on the foreign debt resulting from its agreements with the IMF. What proportion of the annual income of the state has been allocated to pay the debt service in 1986 and 1987? It would be interesting to see the updated and confirmed figures on this matter, which seems to be a priority for the government.

The COB, for its part, rejects payment of the debt and the agreements with the International Monetary Fund and the international financial system. It is demanding an increase in wages and is citing a reference figure. What should the minimum wage be? Without a doubt there is room for an endless polemic on this subject, because there are numerous methods of calculation. The rule is that the wage should allow the worker to meet his basic needs for food, education, health, clothing and housing. The current minimum wage is not by any means capable of satisfying even the workers' transport costs to their labor centers, and for this reason it has rightly been termed a starvation wage.

If, consistent with the political constitution, the state were to allocate the greater part of its resources to education, which is its first and highest function, the workers would find themselves relieved of this obligation and subsidized by society as a whole. The same is true in the health sector. Both are rights of all the citizens. If these obligations were met, the picture would be more humane. But it is not thus. The budget allocations in the past 2 years have not given priority to social expenditures, and the situation of the wage earners continues to be critical, being characterized by an ever more serios situation of impoverishment.

Because of this, it is beyond understanding and a fact to be condemned that the Bolivian state is honoring its foreign debt commitments by making use of a substantial portion of the national income, while the domestic situation continues to be one of hunger and unemployment, reflected tragically not only in the thousands who have been "relocated," but also in the multiple forms of concealed employment which have made our cities into vast peddlers' markets.

The state only has available a part of its resources to cover the wages of government employees, the pensions of those who have earned retirement, and the investments and reproductive projects, goods and services which should be made available to the collective. This is because the balance goes to cover the foreign debt obligations, but there is a moral objection to this use of funds if the price is starvation and poverty for thousands of families. There is involved in this contradiction in terms an insensitive attitude on the part of the government technobureaucracy which serves to aggravate the socioeconomic condition of the citizens of Bolivia. The positive aspects of the current economic modelbecause without a doubt there are such aspects— are thus devalued by the priorities accepted by complacent technobureaucrats to the level of the abstract precepts of the international financial system with which they have identified. Further consideration of this matter is well worth the trouble.

5157

**Debt Rescheduling in Farm Sector Proposed** 33480028b La Paz PRESENCIA in Spanish 6 Nov 87 p 7

[Text] The rescheduling of the payments on the debts contracted by the farm producers in order to make the economic recovery of the sector possible will be an important priority which will be supported by the Farm Bank of Bolivia, the president of its board, Dr Mauro Bertero has announced.

It is necessary to take major and decisive steps to permit the small, average and large producers to become solvent again, which will promote an increase in and diversification of farm production in the country, he said.

Liquidity is lacking in the sector because of the overdue obligations contracted in the past. Various factors have made credit more costly and made access to it difficult for those who need it. Among these factors are the increase in interest rates, short periods for the payment of the sums contracted, the payment mechanisms and others, which have made development loans a form of credit which is almost inaccessible, Bertero explained.

The rescheduling plans, drafted consistent with the specific case, may involve 1, 2, 3 or even 4 years, such as to ensure an effective rate of return on production, the fruits of which will make it possible to pay off the obligations undertaken.

With regard to the livestock sector, the president of the BAB expressed his concern about the limited attention traditionally devoted to the producers of meat, in terms of credit, although this is a very profitable sector within the national economic picture.

BRAZIL

7

### Army Ministry, ENGESA Optimistic About Osorio Sale to Saudis

33420026b Rio de Janeiro O GLOBO in Portuguese 31 Oct 87 p 27

[Text] Brasilia—The Army Ministry and ENGESA [Specialized Engineers, Inc] are optimistic about making a contract with Saudi Arabia involving \$4 billion (212 billion cruzados). That contract covers the supplying of 1,000 Osorio battle tanks, the Brazilian arms industry's most modern product, with replacement parts and the installation of an assembly line and maintenance in the vicinity of Riyadh.

This contract is considered so important that the Army minister himself, Leonidas Pires Goncalves, was in Saudi Arabia, lending political support to ENGESA's intention. It was the first time that a Brazilian government official has given that type of backing, which is common in all countries with an arms market tradition. The minister's visit was preceded, some months ago, by visits paid by the prime minister of France, the British defense minister, and the U.S. secretary of state.

During the qualification tests, which lasted 3 months in the desert, the Brazilian product was outstanding, along with the Abrams M-1. In the firing tests, the Osorio managed to hit a target every 4 seconds, traveling 70 km per hour, with a total of 16 strikes during a 32-second course. The results were repeated by the Saudi crew. In the same course, the Abrams M-1 made 12 strikes. The French AMX-40 hit only eight targets, and the British Challenger, only six.

During the resistance tests, on several thousand kilometers of rocky, sandy desert, the Osorio and the Abrams showed no flaws. The AMX-40 exploded two engines, and the Challenger lost a motor assembly and a transmission case. Other problems appearing were the French gun's excessive wear, and the large number of failures in the British tank's firing control.

The Osorio, although it is equipped with the same systems that evinced flaws in the British and French tanks, did not show any problem during the 3 months of testing. ENGESA had tested the French gun and the British firing system under stringent conditions in the hottest part of Bahia.

Before his trip, Minister Leonidas Pires Goncalves was satisfied with the results:

"I know that Jose Luiz Whitaker, president of ENGESA, is a man who is enthusiastic about what he produces; and for this reason I assigned a Brazilian Army team to monitor the Saudi tests. That team confirmed the Osorio's excellent performance in all the tests to which it was subjected. It is important to stress that an Osorio costs \$2.5 million, and weighs only 42 tons, whereas the American tank weighs 62 tons and costs \$4.5 million."

That difference in weight demonstrated, on the first day, an advantage of the Brazilian battle tank: the fact that it can be transported on a gun carriage to the test site. The suspension shaft on the gun carriagebroke when the American tank was placed on the transport vehicle. The solution was a long move for the Abrams to the test grounds, in the middle of the desert. This revealed another drawback of the American tank: the excessive wear on the tread pads, which were changed every 300 km on the desert journey.

Political pressure from the U.S. Government could force Saudi Arabia to purchase some Abrams M-1's.

However, the Brazilian Army minister thinks that there will be a possible division of the market, inasmuch as ENGESA plans to set up the assembly line in the vicinity of Ryad, which would serve as a backup and distribution center for the Middle East.

At the end of the week, sources from the Military Equipment Department reported that the Saudi contract would consist of two parts: 200 Abrams M-1's and 1,000 Osorios. On this occasion, the Brazilian Army would receive 50 ENGESA battle tanks as a demonstration unit for other potential clients.

2909

### FAB To Receive AMX in April 1989 33420026c Rio de Janeiro O GLOBO in Portuguese 22 Nov 87 p 51

[Text] Starting in April 1989, the first Italo-Brazilian AMX fighter-bomber will be crossing Brazilian skies with the colors of the Brazilian Air Force (FAB); the first Italian version of the AMX will be delivered to the Military Aeronautics Department in mid-1988.

Upon the arrival of a unit manufactured in Brazil, comprised of a complete wing, a pair of air intakes and a electrical system kit, sent by EMBRAER [Brazilian Aeronautics Company], it began mass production of the AMX tactical fighter plane on one of the assembly lines in Italy, at the headquarters of Aeritalia of Turin. The other parts of the aircraft are produced by Aeritalia itself, which is owned by the state holding company Iri and the private firm Aermacchi.

This involves an investment of \$10 billion, which is beginning to bring results. After the delivery of the aircraft ordered by the Italian and Brazilian Air Forces, 187 and 79, respectively, the consortium, created by three companies to market the AMX, will be able to fill potential orders from future clients. The marketing company is called AMX-International and was founded in October 1986.

In the division of marketing areas among the three firms, EMBRAER was left with 43 countries. Included among them are South and Central American nations (Bolivia,

**BRAZIL** 

Colombia, Honduras, Peru, Venezuela, Costa Rica, Panama, Chile, Ecuador, Guatemala, Nicaragua, El Salvador, Paraguay, and Uruguay); African countries (Algeria, Angola and Mozambique, Bangladesh, Egypt, Central Africa, Ruanda-Burundi, and Botswana); and wealthy nations with sophisticated aeronautics (Canada, France, and Japan).

Brazil will also be able to market the plane among clients currently at war, such as Iraq. But, in this case, as with Argentina, it will have to share the area of influence with Italy. The Italians retained clients such as the United States, Australia, and Saudi Arabia.

The price of each export version of the AMX will be \$12.5 million. According to Aeritalia's director of combat aircraft programs, Filippo Bagnato, the plan is to start operating on the international market in 1990-91, when the potential clients will be able to observe various AMX's operating in the two countries' Air Forces. According to Bagnato, the AMX commodity is quite easy to sell because it has virtually no competitors.

In an interview with O GLOBO, he remarked: "The specialized press usually mentions Harrier as a competitor, in my opinion mistakenly. The British plane has half the weight of the AMX, and cannot perform the same functions with equal efficiency. Furthermore, it was an aircraft created for training, later converted for combat, unlike the AMX, which was invented for tactical support and combat missions over a short distance. It would appear that the Americans are in a preliminary phase of studies on a similar fighter plane, but it is still too soon to say."

According to Bagnato, the potential clients for the AMX are all the countries with a need for tactical support and short-distance missions, which are unwilling to risk airplanes with multiple functions costing about \$30 million. Based on the Aeritalia director's description, this is a not a low-level clientele, of the type that usually purchases used training planes. Rather, they are Asian, South American and European countries that would purchase the AMX as a supplement to more sophisticated airplanes as well.

The AMX project resulted from the Italian aeronautics industry's need to replace the old G-91Y aircraft. The FAB also required an airplane with similar features. Thus an agreement was signed with certain quotas for the number of planes ordered by the two countries. Aeritalia holds 46.7 percent of the project; Aermacchi, 23.6 percent; and EMBRAER, 29.7 percent.

The AMX was created to follow troop movements and to provide air cover, guarding borders and coasts. It can take off on short runways which are not well prepared. Its range on typical missions is from 465 to 1,020 km, depending on the weight of the weapons that it is carrying. It measures 13.23 m long, 4.55 m high, and 8.87 m in wingspan. The maximum load is 3,800 kg. It is

an aircraft equivalent to two or three older planes because it can operate with fewer hours of maintenance, owing to numerous types of reserve duplicate equipment.

2909 1

### PETROBRAS Shows First Profit of Year; Oil Found in Urucu

**Quarterly Report Figures** 

33420026a Rio de Janeiro O GLOBO in Portuguese 17 Nov 87 p 27

[Text] During the third quarter of 1987, PETROBRAS [Brazilian Petroleum Corporation] showed a profit for the first time this year, as was announced in last Friday's edition of O GLOBO, and confirmed yesterday with the publication of the company's quarterly balance sheet. In the third quarter, the company's profit was 15.7 billion cruzados, reducing the losses accumulated over 9 months to 17.6 billion cruzados. During the first half, the company had shown losses amounting to 33.3 billion cruzados. As of 30 September, the capital value of PETROBRAS stock shares was 404 cruzados.

An increase in by-product prices, reduced growth of inflation, and greater stability in exchange policy were the reasons given by PETROBRAS' chief of financial service, Orlando Galvao, to explain the company's improved performance during the period from July to September. During this quarter, the state company succeeded in recovering 50 percent of the losses incurred during the first half.

Orlando Galvao remarked: "During the first half, we were hard hit by the devaluation of the cruzado vis-a-vis the dollar"; noting that the company had debts in foreign currency, particularly in dollars, remaining subject to variations in the exchange policy. PETROBRAS' netdebt over the short term (up to a year) is \$2 billion, and the long-term debt amounts to \$1.6 billion. During the first half of the year, the monthly devaluation of Brazilian currency with respect to the dollar averaged over 20 percent, while the variation accumulated during the third quarter remained at 18.2 percent. With the positive results from July to September, the profit per share stood at 15.58 cruzados. By September, however, the company had accumulated a per share loss of 17.55 cruzados. According to Orlando Galvao, the trend is one of recovery over the first half of the year; but he underscored the need for new price hikes for the company's products. with percentages exceeding the inflation rates, to correct the imbalance, currently estimated at 126.08 percent.

#### Official Cites Uruco Potential

33420026a Rio de Janeiro O GLOBO in Portuguese 19 Nov 87 p 21

[Text] PETROBRAS discovered oil in the fourth well drilled in the Urucu Basin (well 3-RUC-3-AM), in the Amazon Region, and found that, unlike the first three

wells already discovered, this one has a geological formation far more favorable for the exploitation of the oil. This confirms the presence of a sizable oil basin in that region, with reserves that have been estimated, on a preliminary basis, as totaling 100 million barrels. The discovery was announced yesterday by PresidentJose Sarney, in remarks delivered during the morning in the Goias town of Porangatu; and it was confirmed in the afternoon by PETROBRAS' director of exploration and production, Wagner Freire.

To date, the discharge test has not been made on the fourth well drilled in Urucu (located on the Urucu River structure 1.7 kilometers southwest of the first well, with a depth of 1,700 meters); but, according to Freire, the conditions of the oil discovered already guarantee the viability of oil production in the Urucu Basin. Freire claims that the oil found in this well is protected by a layer of natural gas, which benefits the recovery of the oil; and it may be possible to attain an exploitation index of 40 percent (the average recovery from the fields in the basin is 25 percent, although there are already some wells with an index of up to 50 percent).

The oil now discovered in Urucu is associated with natural gas, and the estimated reserves amount to 100 billion cubic meters. In addition to the four wells already drilled in the Urucu Basin, the PETROBRAS drills installed in the region are digging two more wells (5-RUC-5-AM and 6-RUC-6-AM), and the work should be completed as early as this year. According to Wagner Freire, as soon as all the data on the wells drilled are available, PETROBRAS will determine the logistics for production in the Amazon Basin.

#### **Imports**

Between January and October of this year, PETRO-BRAS imported \$3.54 billion (212 billion cruzados) worth of oil, \$3.314 billion (188 billion cruzados) worth of by-products, and \$225 million (13.5 billion cruzados) worth of products consisting mainly of diesel oil and

liquified petroleum gas (LPG). During the same period, exports of by-products (basically, gasoline) amounted to \$887 million (53.1 billion cruzados).

**Coastal Shipping Expanded** 

33420026a Rio de Janeiro O GLOBO in Portuguese 19 Nov 87 p 24

[Text] Self-sufficiency in coastwise trading: this is PETROBRAS' goal for the next 5 years, according to Adm Ramon Gomes Leite Labarthe, who is in charge of the company's freightage area. At present, PETROBRAS has 19 ships under construction, totaling nearly 684 gross weight tons (gwt); and has just submitted a letter of consultation, in the amount of \$5311 million, to the National Economic and Social Development Bank (BNDES), requesting funds from the Merchant Marine Fund for the construction of an additional 10 ships, totaling 1.31 million tons.

Also this year, and during the course of next year, PETROBRAS intends to order five coastwise trading tankers, each of 30,000 gwt, to carry light by-products, and two 120,000 gwt oil tankers. In addition, it is planning to purchase five long-range vessels, three ore-oil ships each of 140,000 gwt, and two (VLCC) super-tankers, of 280,000 gwt. For the 2-year period 1988-89, the plans stipulate contracting for the construction of another seven tankers, all intended for coastwise trading and export. Four of them will be used exclusively for carrying light by-products, and three for carrying both light and dark types. When these vessels are ready, PETROBRAS will have succeeded in expandingthe capacity of its own fleet by 1.6 million tons.

According to Admiral Labarthe, these goals are part of a major effort on the company's part to reduce the costs of its freightage, which began in 1979, when the firm's first maritime transport plan was approved. The results since then have been encouraging.

MIR Spokesman on Plebiscite, Armed Opposition 33480016a Madrid TIEMPO in Spanish 5 Oct 87 pp 74-75

[Interview with Father Rafael Maroto, director of MIR, by Luis Alberto Rivas: "I Support the Armed Struggle Because Pinochet Is Stronger Than Ever"; date, time, and place not given]

[Text] Father Rafael Maroto, 75, is one of the historic members of the Chilean left. He has been banned from acting as a priest in Chile because of his political activism. Father Maroto explains, however, that he is not worried about his situation, and that he is closer than ever to the people and to the teachings of the Gospel.

[Question] What is your opinion of the plebiscite announced by the Pinochet regime, which will probably be held next year?

[Answer] The present political moment in Chile revolves around the plebiscite, which was announced under the terms of the Pinochet Constitution of 1980. Pinochet has stated that this plebiscite is not a presidential election, but just a consultation. Nevertheless, he said just the opposite later on. We have already had a bad experience with the plebiscite of 1980, when people were not aware of what they were voting on, and there was no possibility of discussion. At present, the opposition agrees that the 1980 Constitution is illegitimate, because even the most minimal standards proposed by the bishops of Chile were not met in that plebiscite. For the next plebiscite, there are still just four men, the commanders in chief of the Armed Forces and the Carabineros, who will elect the candidate. My opinion is shared by 80 percent of the Chilean population.

[Question] Are the free elections demanded by the opposition the alternative to this plebiscite?

[Answer] Curiously, one sector of the opposition, the bourgoisie, has called for what it terms free elections. This is impossible under Pinochet and the 1980 Constitution. They call for free elections, pointing out that that Constitution must be reformed; they also call upon people to register to vote on voter rolls that do not merit anyone's confidence. They have, however, managed to win over part of the leftist opposition. Only the Movement of the Revolutionary Left (MIR) and the Communist Party have refused to heed the call. In view of all this, there are those of us who feel that submitting to this Constitution and urging people to register on these voter rolls is tantamount to accepting the illusion of some hypothetical elections under Pinochet. That is very naive politically. We are convinced that first Pinochet must go. and then it will be possible to establish a transition government to convene a constituent assembly that would draft a constitution to be studied and voted on by the people. Only after this constitution were approved could truly free elections be called.

[Question] Could it be said that the opposition's campaign for free elections now has put the brakes on the struggle against Pinochet?

[Answer] Yes. In our opinion, that position has delayed all possibility of confronting the dictatorship, has actually assured the continuation of the dictatorship. Today it is more secure than it was some time ago, and this is because it has gotten involved in this game promoted by the dictatorship itself.

[Question] What is your opinion, then, of the position the Christian Democrats (DC) have taken, registering as a political party under the current laws?

[Answer] That is a very important ethical problem. If the current Constitution is being repudiated, how can they submit to it? Submitting to those laws legitimizes what is illegitimate. They are lending support to that which is absolutely illegitimate. I have no doubt of their good faith. They say that following the rules does not legitimize the laws. That strikes me as a lack of logic that is difficult to understand. Registering as a political party, however, was one of the factors that guaranteed Patricio Aylwin's victory at the recent DC congress.

[Question] Can that position attract other political parties?

[Answer] Sure, that is obvious. The Christian Democrats, then, have a major responsibility. They are the strongest party in one sector of the opposition. Therefore, the DC is carrying along other parties that need to be on its coattails.

[Question] What is the consequence of this political attitude in the street?

[Answer] It is causing great confusion. But I will tell you something. The people in the streets, the people in the slums are not interested in registering to vote. The popular sectors have the lowest rate of voter registration, because this issue does not turn them on at all. And the people are not easily fooled. They are very wise, and we must believe in the people and have faith in them.

[Question] The people of whom you speak—are they the majority of Chileans?

[Answer] Yes, the majority.

[Question] Then the future could be seen more optimistically.

[Answer] No, for many reasons, two of them very important: intervention in Chile by the United States, and economic power. I will tell you something: Pinochet is safe until 1989, and even if he were to lose his plebiscite, he would have one more year to change everything that would not give him absolute assurance of remaining in power beyond then. That is why I think we have lost the

possibility of defeating Pinochet immediately, of engineering the immediate triumph of democracy in Chile. We have a lot more suffering ahead of us, and we face an even fiercer struggle in the future. They will take note when we say that whatever forms of struggle the people use are legitimate, they will remember those forms of struggle, and they will take advantage of them and impose their will on the people.

[Question] One sector of the opposition criticizes the left for just that, saying that not all forms of struggle are valid anymore, that the armed struggle, specifically, is pernicious in the process toward democracy.

[Answer] The people do not reject any form of struggle. It is another thing, however, to use that form of struggle when the groundwork has not yet been laid. We respect other forms of struggle, but we believe that all are valid. If we have to bang pots and pans, then so be it; but if we have to engage in violent confrontation, so be it as well.

[Question] There are those who say also that the use of violence legitimizes repression by the regime.

[Answer] What really strengthens and legitimizes the regime is submitting to whatever the dictatorship says, accepting the dictatorship's rules of play. That is indeed playing along with the dictatorship.

[Question] I emphasize, however, that other political forces point out that the use of violence, or more specifically, last year's attempt on Pinochet's life, has strengthened the regime.

[Answer] That is not true. In fact, after the attack one sector of the opposition sought a dialogue with the regime once again. That is what debilitated the opposition and lent strength to the dictatorship. That initiative was the idea of one party, the Christian Democrats. They have now dragged in the Socialists of Ricardo Nunez and a certain part of the left. This is not the fruit of an exchange of ideas; it is the fruit of an imposition. But we cannot accept new impositions on the people. Sectors

have been excluded, as they were some time ago with the so-called national accord. How can they call it a national accord if they excluded part of the opposition?

[Question] At any rate, this schism in the opposition is even affecting the left, which does not present a united front at this time.

[Answer] That is true. And it is the people who will suffer the consequences. When the Popular Democratic Movement disbanded and the United Left was born, the number of leftist organizations that joined together in this new organization increased. But I think that in the long run it has been a step backwards.

[Question] What is your opinion, as a priest, of the Chilean Church's attitude toward the dictatorship at a time when that institution is also divided?

[Answer] We must recognize that fact. There are differences and divisions in the Chilean Church. We have every right to disagree. I always say that the class struggle pervades all institutions, including the Church.

[Question] What are the current prospects for the armed struggle in Chile?

[Answer] At this time, the conditions are not right for a struggle such as El Salvador's, for example. Those conditions are lacking because there is a lack of preparation, of disposition . . . It is not because the dictatorship is not provoking such conditions. But these conditions can arise at a given moment.

[Question] What is the significance of the actions of the Manuel Rodriguez Patriotic Front?

[Answer] All the actions of the Patriotic Front are strengthening and raising the hopes of the people in this struggle. This is an admirable struggle. The manner and technique of the kidnapping of Col Carreno is admirable. I, for one, do not repudiate those actions.

### Government Adviser, FARC Leaders Meet in La Uribe

Government Document Outlines Official Position 33480026a Bogota EL TIEMPO in Spanish 29 Oct 87 pp 1A, 8A

[Text] Yesterday the government renewed the direct dialogue with the FARC which has been suspended for 4 months, but it issued a categorical warning that the talks must lead to the demobilization and disarmament of these forces.

In a surprise move, Carlos Ossa Escobar, the presidential adviser, and his principal colleagues, went early yesterday to the La Uribe camp, where they presented the FARC commanders with an 11-page document in which the government reasserts and clarifies its policy of peace.

The talks were interrupted as of 17 June, when 27 individuals in the military and one civilian were massacred by the 14th and 15th Fronts in Caqueta, officially breaking the cease-fire.

In its document, the government stated that it does not accept the FARC thesis to the effect that their return to institutional life must be preceded by a series of reforms, both urban and rural.

Although the government believes that these are necessary and urgent, it asserted that this is a commitment to the vast majority of the people and cannot be negotiated with an armed minority.

It also expressed the view that although the Verification Commission has already carried out its duties, it is prepared to reappoint it for the exclusive purpose of supervising the return of the FARC to legal life.

An analysis of the document leads to the conclusion that the government is reiterating its willingness to engage in dialogue; that it is maintaining the standards established for the search for a political solution to the problem of violence; and that it hopes that the FARC will finally agree to establish a schedule for their demobilization and reincorporation.

The text of the document, which was signed by Carlos Ossa and which was addressed to Jacobo Arenas, Manuel Marulanda Velez, Alfonso Cano, Raul Reyes and Timoleon Jimenez, reads as follows:

"Bogota, D.E., 28 October 1987

Messrs Jacobo Arenas, Manuel Marulanda, Alfonso Cano, Raul Reyes, Timoleon Jimenez; members of the Secretariat of the FARC:

On repeated occasions, the government has insisted on the need to maintain the dialogue with the Secretariat of the FARC on the basis of terms which will make it possible to maintain the possibility of a political solution. You know that a week before the events which occurred in Caqueta, plans for a visit were announced to you with a view to continuing to seek a political solution which would lead to the reincorporation of the FARC in civilian life.

The events in question, which the government energetically condemned, the rejection of this criminal action by the entire nation, and the attitude of the Secretariat, not only in justifying it, but in attributing responsibility for these events to the government, which is, of course, unacceptable, created an atmosphere of tension in which it would have been undesirable, not to say useless, to pursue the planned dialogue.

The government will not abandon dialogue while the minimal conditions making it possible exist, because it is persuaded that armed confrontation is not a desirable solution. However, it believes that this dialogue, in order to be fruitful and in order to lead in truth to the consolidation of peace in Colombia, must have specific terms of reference and certain clearly defined issues on the basis of which it can advance.

The government has repeatedly set forth these terms, not only where the policy of reconciliation is concerned, but specifically with regard to the dialogue with the FARC which constitutes one of the components of this policy. However, you seem to have misinterpreted—and, we would like to suppose, in good faith—the terms of the dialogue, for which reason we feel obliged to insist on them once again, so that no doubts can remain as to the intentions of the government with regard to the FARC, or with regard to any other group or groups which, jointly or separately, want to join in the dialogue.

First of all, in the document presented to you at the first meeting held by the officials of this present administration with the Secretariat, on 18 September 1986, it was made clear that "The government will always be ready to examine new prospects for channeling reconciliation and to consider proposals and alternatives for understanding. Within these guidelines, specific instructions have been issued and to continue to maintain the terms of the agreements which were signed during the preceding 4-year term and which were still in effect as of 7 August 1986" (p 23, italics ours).

Also, it was stated that "It will be necessary to specify a schedule for demobilization and the reincorporation of those rebels in arms who show a desire to return to the framework of institutionality and legality" (p 35). A great part of our effort in the dialogue with the Secretariat has been designed to arrange this schedule, because the government believes that reincorporation is the primary goal, and that which gives meaning to the La Uribe agreements, as their texts indicate, since if interpreted in any other way, they would lead to the development of a juridical and political anomaly—a cease-fire without a limit and without a purpose which could do

nothing but deteriorate gradually. Both this cease-fire and the Verification Commission, in our view, served as tools for advancing toward reincorporation, as is made clear by numeral six of the agreement signed in March of 1984, which says that "When in the view of the Verification Commission, armed clashes have ceased, a period of testing or waiting of 1 year will begin, so that the members of the organization known to date as the Revolutionary Armed Forces of Colombia (FARC-EP) can organize themselves politically, economically and socially on the basis of their free decision. Based on the constitution and our laws, the government will provide them with the pertinent guarantees and incentives." It is obvious that the economic, social and political organization referred to here cannot be interpreted as the organization of an armed group, but rather the organization of a civilian movement, which presupposes reincorporation. We must insist, then, that demobilization and reincorporation in civilian life, as the purposes of dialogue, are not a whim of this government, but rather that this intention derives unmistakably from the La Uribe agreements.

On the other hand, it is necessary to insist, if this has not yet been done sufficiently, that the government has at no time made demobilization a prerequisite to dialogue, as the FARC and other armed groups have made it seem it has, perhaps for the purpose of distorting the government's willingness for dialogue. The president himself, in discussing the subject, has done nothing but reiterate that dialogue should lead to demobilization and reincorporation, because this is precisely the issue which gives the dialogue a purpose. In his speech to the legislative chambers last 20 July, the president said that "The government continues to desire reconciliation with the rebels in arms who observe the cease-fire, as a prior step to demobilization and disarmament. Because of the criminal events which occurred recently in Caqueta, the government, in order to clarify this delicate process, has stated the principle according to which any future action along the path to reconciliation and incorporation of the rebels in arms in civilian life will have as a requirement that it lead to peace, that the process of demobilization and the resulting disarmament be carried out, which process will be accompanied by the provision of the guarantees necessary to safeguard and protect those who will adhere to normalcy." (pp 55-56, Oveja Negra Publications, italics ours).

Thus what you and other armed groups have interpreted as an "ultimatum" and a "declaration of total war and a definitive end to dialogue" was simply the reiteration of the stages for which the La Uribe agreements provided—a cease-fire as a prior step to demobilization and reincorporation (which naturally entail disarmament, and which, even etymologically, are different from surrendering weapons), and these stages as requirements for peace, because an enduring peace could hardly be achieved while armed organizations continue to exist.

You have been insisting on the need to appoint further verification commissions. You have even said that

because none existed, the cease-fire deteriorated. In response to this, the government has said clearly on repeated occasions, as you well know, that all violations of the law, whatever their origin may be, must be investigated by the legally established authorities, while the cease-fire, in the strict sense of the term, must be verified directly by the government. However, if we progress as the entire country hopes we will with specific arrangements for the demobilization of the FARC, the government will be prepared to contemplate commissions to verify the normal development of this demobilization within the time periods and in accordance with the guarantees on which we may agree.

Naturally, the government understands the difficulties inherent in maintaining a cease-fire, the conditions and even the purposes of which are full of ambiguities in the text of the agreements. It would be no exaggeration to note that the cease-fire is, for this government, a temporary formula which only has meaning if it allows an advance toward reincorporation, and which is in effect, as numeral three of the agreements indicates, "solely with regard to the groups and individuals who accept and respect these bases (that is, rejection of kidnapping, extortion and terrorism, in accordance with numeral two) and who do not violate criminal law." Obviously, it cannot be expected that those who do violate the law can seek protection under the agreements; rather, they should submit themselves to the proceedings of the courts. Similarly, it cannot be expected that the public forces will stand by idly while their installations are being attacked and their personnel ambushed. In no way has the government, on its own initiative, declared the cease-fire invalid in any part of our national territory. In connection with the perfidious attack on Army personnel in Caqueta, the president stated the position of the government with dazzling clarity. "It goes without saying," he said, "that in any part of our national territory where the public forces are attacked, the government will assume that the cease-fire is not in effect in that zone, due to the senseless decision of the aggressors, as has occurred in the case of Caqueta. There the public forces are acting on precise instructions to proceed energetically to reestablish order and to capture and turn over to the courts those who have failed to respect and heed the agreements pertaining to this cease-fire and have violated criminal law". The government adheres to the cease-fire order with regard to the FARC-EP whenever its fronts abstain from the practice of kidnapping, extortion, terrorism and intimidation for political purposes (for which read armed proselytizing), and whenever the public forces are not attacked. However, it is prepared to continue to deal firmly with those who violate the law. To act when incidents like these occur is a constitutional mandate which the government can in no way neglect. The government also understands the difficulties which have developed in recent years in providing guarantees for the Patriotic Union and those individuals who, having been reincorporated in civilian life, have wanted to engage in political action in legitimate fashion. The government has done everything within its power to

provide the UP with the necessary guarantees, and with the collaboration of the citizens, it is ready to reveal the dark forces which are working against our institutional system and coexistence. The government profoundly regrets the assassinations of which militants in the Patriotic Union have been the victims, and it is certain that this is the main obstacle to the achievement of the reincorporation of the rebels in arms in civilian life. In our opinion, and this is by way of explanation and not justification, a large part of the wave of assassinations had to do initially with a partial and individual demobilization paralleled by the existence of an armed group which prevented this process from becoming clear.

In the view of the government, the subject of demobilization should be dealt with in terms of the demobilization of the organization, and not on a partial and individual basis. Naturally, an important part of the dialogue will have to be focused on the definition of the economic, social and political guarantees and the mechanisms for ensuring them. The government is prepared to consider all of the formulas with the greatest of breadth and flexibility and to make demobilization conditional on the real existence of these guarantees, provided that these formulas do not alter the institutional system nor distort the responsibilities of the government.

You know, on the other hand, that one obstacle to progress in our talks is the claim by the Secretariat that the agreements call for the effecting of a series of reforms set forth in numeral eight of these agreements as a condition for demobilization. In this connection, that section reads as follows: "The Peace Commission gives assurance that the government is fully willing to..." and then follows a list of the reforms. It is clear that the agreements do not make demobilization conditional upon the reforms, nor could they do so, because these powers are attributed to the legislative branch and not the executive, much less its representatives in the dialogue, who in addition, when it comes to the members of the Peace Commission who signed the agreements, participated as volunteers.

The government believes in the need to modernize institutions and its policies and to promote agrarian and urban reform, but it cannot make the effecting of these changes conditional upon dealings with any armed group, because these are commitments assumed to the country and not to an armed minority. In this connection, we reiterate that the reforms were not nor could they be set forth as prerequisites to the demobilization, much less when it is the FARC-EP which claim the right to interfere with the content of the reforms in such a way that only when they are satisfactory to this armed group will it be possible to discuss demobilization. We emphasize, then, for the purpose of greater clarity, that the government does not refuse to promote discussion of the reforms, but it asserts that demobilization cannot be made conditional on whether the content thereof is satisfactory to the armed group, because this would simply mean the collapse of democracy.

We believe it necessary to make it clear, moreover, that the argument you often invoke, to the effect that there can only be peace when democracy has been consolidated—a question you seem to have claimed the exclusive right to judge—is at least debatable in the eyes of the government. On the contrary, we believe that it will be possible to advance with the democratic process once violence has been eliminated as a method for engaging in politics. While the armed movements exist, while extortion and blackmail are being practiced, while there is terrorism, there will never cease to be those who provoke a response involving similar procedures, reflected in what you have come to call the "filthy war," leading to a radicalization of thinking which reduces the space for the search of solutions to an ever greater extent. It seems to us that democracy as a process is the affair of all Colombians, and its consolidation must be the result of a desire which commits us all, and not the result of an imposition on the majority by the few, because if this were the case, it would be a contradiction in terms.

We believe that the search for a peaceful solution to our internal conflicts must be preceded by an attitude on the part of the truly democratic sectors which promotes the desire for dialogue and the search for concrete results. We cannot understand how, while the government continues to have a desire for dialogue, the Patriotic Union demands it, but at the same time sets up insurmountable obstacles to carrying it forward, as if it were a question of urging dialogue solely in order to demonstrate that it is impossible.

The government has defined certain terms for proceeding with the talks with the FARC-EP and with any other group or groups which want to participate in the dialogue. These terms can be summarized as adherence to the spirit of the La Uribe agreements, oriented toward the search for a political solution in which the cease-fire will be observed with those groups which do not violate criminal law in any way, with this cease-fire being interpreted as a temporary situation making it possible to progress with the dialogue. It must have as its purpose the demobilization and reincorporation of the groups of rebels in arms in civilian life. This demobilization cannot be made conditional upon the effecting of reforms, which the government believes necessary and urgent but which it is not prepared to submit to the judgment of the armed groups, because these reforms represent a goverment commitment to the entire nation.

We hope that these explanations and clarifications will enable you to abandon any doubts you may have about the position of the government with regard to dialogue, and will contribute to maintaining the possibility of a political solution to the benefit of the country.

Cordially,

Carlos Ossa Escobar, adviser to the president."

#### The Events in La Uribe

Since it appeared in the news on Monday, 26 March 1984, La Uribe has become the geopolitical focus of many decisions and much speculation, up to the present time.

It was on that date that six members of the Peace Commission entered the territory of the Revolutionary Armed Forces of Colombia. The pioneers along the route from Bogota to La Uribe were John Agudelo Rios, Rafael Rivas Posada, Cesar Gomez Estrada, Alberto Rojas Puyo, Samuel Hoyos Arango and Margarita Vidal. The six, all members of the Peace Commission which had been appointed by the government of Belisario Betancur, set out on a trip which later became an obsession for some, a necessity for many and a possibility of "getting in" for others.

The first meeting in La Uribe was free neither of risk nor of mystery. It was inevitable. For the first time, direct contact had been achieved with the central command of the oldest and most widespread guerrilla group in the country. For the first time, someone from the "civilized world" could see with his own eyes that Tirofijo, the mythical peasant who became a legendary guerrilla fighter, was a man of flesh and blood. And also for the first time, the possibility of peace, a slippery word which President Betancur had used in the fiery speech at Bolivar Square when he took office, could be seen at close hand.

The first meeting in La Uribe caught the geographers unawares. Locating this lost point between the Meta Mountains and Huila was a task which forced the pilots of the first helicopter to land there to consult a number of maps. For those who believe in coincidence, the fact that the site of the encounter was near the Duda (Doubt) River was the harbinger of all the doubts which were to develop about the process of peace which seemed to be taking shape.

From that meeting, following some talks which were initially nervous, and which were "irrigated" by whiskey and brandy, there emerged a cease-fire compromise to which the top commanders of the FARC, Tirofijo, Jacobo Arenas, Jaime Guaraca, Alfonso Cano and Raul Reyes, committed themselves. The pictures of the meeting, with the negotiating group posing for the photographer, and the stories the participants had to tell, seemed at that time like a hallucination. But the agreement was signed and went into effect, with all the hullabaloo of a full advertising campaign, at midnight on 26 May of this year.

The document established a truce for 1 year, to which the 27 fronts the FARC admitted to have operating in the country were committed. An end to kidnapping and extortion, the cease-fire, and a desire to keep the peace—these were the essential aspects of this document, which

was hailed with satisfaction by political leaders, with enthusiasm by the government, and with skepticism by some sectors of the public and the press.

As of that time, the commissions began to operate and the trips to La Uribe to multiply. The Verification Commission was the most active agency in the process which followed the first meeting.

The reports of violations of the truce put this commission to work, and as a consequence of this, the journalists. Newsmen, invited in some cases by the FARC command, while "inviting themselves" on other occasions, undertook to report to the public what was happening in this distant but now known refuge—known to the point that throughout these 3 years and 8 months, the military have continuously overflown the zone.

Now, following the violation of the agreements, declarations of war and bloody crimes, La Uribe, that location in the municipality of Mesetas, in Meta, is back in the news again. Few thought that, given the current circumstances, the dialogue would be resumed. But yesterday, surprisingly, La Uribe became the fashion again, inspiring hope in many and destroying the last illusions for others.

### FARC Agrees To Reopen Dialogue 33480026a Bogota EL TIEMPO in Spanish 30 Oct 87 pp 1A-2A

[Text] The FARC announced yesterday that the dialogue with the government is on again, and they agreed that it should lead to their demobilization and disarmament with a view to their reincorporation in civilian life.

However, they warned that prior to this, an atmosphere favorable to providing them with political guarantees, as well as the disappearance of the groups of hired assassins, must be established.

This was made public yesterday by Carlos Ossa Escobar, the presidential adviser, on his return to Bogota after 2 days of talks with the leaders of this guerrilla group in the mountain location of La Uribe, in Meta.

He expressed the belief that the government is committed to halting the wave of political crime which has plagued the country, and has made the full effort necessary to achieve that end.

To do this, he explained, it is necessary to strengthen the activity of the courts still further, to provide the judges with greater resources, and to rely on the definite cooperation of the citizenry.

If the government can succeed in these things, as we all trust will happen, he said, that atmosphere which will allow the reincorporation of the FARC in civilian life will automatically develop.

In providing details about his talks with Manuel Marulanda Velez and Jacobo Arenas, the presidential adviser said that initially, they were surprised by the document in which the government reasserted its policy of peace and established the standards for dialogue, and he said that they even regarded it as "rather harsh."

But as the meeting developed, they acknowledged that the position adopted by the government offered solutions and possibilities for progress along the path toward a definitive peace agreement.

Yesterday, Ossa delivered a preliminary report to President Barco, and he will have a lengthy conference with him today in which he will report in detail on the results of his dealings.

This adviser described the reestablishment of dialogue as the most positive result of his talks, although he said that a long path still lies ahead of us.

Ossa Escobar said in statements to CARACOL that the FARC expressed the view that the cease-fire had been deteriorating visibly, a development they ascribed to the "army pressure exerted on their fronts."

The government explained to them that there can be no cease-fire without any limit, or one which does not lead to any objective, which will not affect the truce.

Last night the Casa de Narino revealed the contents of a tape recording made by Jacobo Arenas, announcing the renewal of dialogue, a development he described as "a great step taken by the government and one which the FARC has consistently demanded."

At the same time, he recalled what was said by former president Alfonso Lopez Pumarejo to the effect that "politics in Colombia cannot be pursued in any other way than by talking."

Civilized dialogue, he added, is the only way of achieving future pacification agreements. Hecalled it basic and decisive for the future of the FARC and said he was certain that the people of Colombia will see it this way.

The surprising reestablishment of dialogue in La Uribe was welcomed with satisfaction and hope by the political parties, the church and the other social institutions in the country.

The presidential adviser was accompanied to the Meta Mountains by Rafael Pardo Rueda, secretary for popular integration in the Office of the Presidency of the Republic, and advisers Ricardo Santamaria and Jesus Bejarano

The report submitted by Ossa was a positive one, asserting that there are in fact new opportunities which will make it possible to continue the dialogue with a view to achieving concrete results.

He said in conclusion that it appeared to him that the step taken by President Barco in renewing talks with the FARC has been welcomed in very positive fashion by Colombian society.

The talks had been suspended since 17 June, when the 14th and 15th Fronts ambushed a military convoy in Caqueta, causing the death of 27 soldiers and one civilian.

CUBA 17

### Youth Magazine on Religion, Problems With Military Service

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[Interview with Roberto Robaina, first secretary of the UJC, date and place not given]

[Excerpts] [Question] May I use the familiar form "tu" when speaking to you?

[Answer] Of course!

[Question] What is your profession?

[Answer] Teacher. Math teacher.

[Question] How long have you been a member of the Union of Young Communists (UJC)?

[Answer] Since 1971. It was 16 years in April, to be precise.

[Question] Young people complain that in areas where there are heavy concentrations of youths, like in the priority projects (I recall Moa, where this discontent is proverbial), there is little for them to do to amuse themselves. What is the UJC doing in this regard?

[Answer] What you are saying is true, and it happens all over the country. But before giving you an opinion, I would like to stress that the most important thing now is work. To the extent that we become more efficient and productive, we will have more recreation. First we make full use of the workday, and then we worry about free time. As for your question, it is really not up to us to solve this problem, because we have limited resources. Our efforts have been aimed at approaching the agencies that do have that responsibility, discussing the problem with them, and working through the Party and the central administrative bodies of the state to find solutions. We are also trying to create a new mentality about making use of free time. That is how people have discovered that tremendous way of getting in touch with nature: camping. We don't believe all the possibilities have been exhausted in that field yet. At any rate, we still have a mission to establish the right conditions for recreation in the critical places you mentioned: Moa, Sandino, Jaguey-places where there are many students and young workers.

We have immense possibilities for discussion and promotion. If we don't do it, few people can protest as strongly as we are able to. In many places the UJC has gotten involved in other types of tasks, and has not given recreation the priority it deserves. Nor have words always been translated into deeds. There have been some attempts in Havana to turn certain suitable places into recreational areas, places where dances can be held. Of course we have the least problems here. Absurd situations occur, such as a town with a single movie theater

(which is lucky—there are towns that have none) that shows the same film over and over for a week. You go one night, and what do you do the rest of the time? The fact that we are not as attentive to this problem as we should be results in "parties" being organized in a haphazard way, and afterwards we tell them they should have done it our way. That has repercussions, because you may get good things out of it, but you may also get bad things. Then comes the questioning in the UJC. However, there should also be questions, and blunt ones, about the failure to provide a timely solution to the problem of how to use free time.

On other occasions, we have expressed narrow views. It should be made clear that trying to solve recreational problems does not mean organizing people's free time; that cannot be one of our tasks. What we need is alternatives: a good book, a good movie, a place to practice sports, a good museum. That is something else: We want young people to go to the museums.

But look at the museums! How can we ask them to undergo such torture? We must begin by looking at the quality of the museums.

The establishment of video game parlors has been offered as one possibility. We must promote such activities. For some people, video has become a taboo word, and without realizing it we have been bucking the tide of science and development.

In recent years, millions of ideas have been suggested by the youths themselves, and I don't think we should shut them out. As long as there is a healthy alternative with good objectives, the UJC should not question it but rather encourage it. In San Antonio, the kids came up with the idea of a bicycle club. That's fine! The same thing happened in Cardenas. People there are saying, and with good reason, that to have fun all the youths need are music and soft drinks; they don't need much. But amusement doesn't just mean partying. We must also not think that camping is the only way, because that might take up a day or a weekend, not every day. It's not a matter of "Well, that takes care of that," you've got your camping to point to every time anyone brings up the problem of free time. No.

[Question] What is your opinion of rock music, and of the young people who like it?

[Answer] Rock is just one more manifestation. It has some pros and some cons. It is a question of making young people appreciate and understand when they are hearing something good and when it is not good. In no way is there any campaign against rock music. We must, however, take care that those who are responsible for disseminating rock today and some other similar manifestation tomorrow do not exalt it excessively.

[Question] Do you think being fashionable is a banal concern?

CUBA

18

[Answer] I don't think it can be criticized, and I even think it is good. One of the most important things for young people—and Raul Castro has said this—is that they be in step with the times, that they participate in their era. And this means, among other things, being fashionable. We can't be seeing ghosts where they don't exist. In Ciego de Avila there was a huge fuss because the kids started wearing short pants and white socks. And we have no reason to think this is an ideological problem; the UJC has no reason to fight against fashion. If someday the fashion is to wear those short pants with white socks and our leaders are the only ones wearing long pants, we're on our way out.

The one we have to worry about is the teenager who thinks about nothing but fashion, and neglects his studies or work.

[Question] What does the UJC think about its members' associating with religious youth? Can they be friends?

[Answer] Yes, we can be. We have more things in common than differences. It is normal to have relationships with them, and if we don't talk to them, others will. On the other hand, a UJC member cannot be concerned about whom he talks to and whom he doesn't. He should be willing to talk to anyone. We are all within the Revolution, and conversation and discussion have a place in the Revolution. We have to get used to the idea that not all of us think the same; if we did, many of our problems would have been solved a long time ago.

Since this is not so, we are obliged to discuss and analyze, and discussing and analyzing helps us develop.

The more we approach those young people with religious beliefs—due to family problems or a lack of communication—the more we can help them adopt a much more realistic attitude toward life.

[Question] Many taboos relating to sex have been abolished with the Revolution, especially those having to do with women. And sexual initiation in both sexes is happening at an early age, which has meant rejection by the vast majority of parents. What is your view of this problem among teenagers, and how do you think they should deal with it?

[Answer] We must break the most important taboo: the historic fear of talking with parents. And to a great extent, it is the parents themselves who are responsible for this. Kids are used to speaking candidly only with friends their own age. This problem has not been solved, and I don't think it will be as soon as we would like. As the young people of today become the parents of tomorrow, we will be able to break through that barrier with our children and help solve this problem.

But we know that there are some parents who are in a position to understand. Look: we shouldn't blame everything on those in the past, who were definitely raised to

act and think differently. Nor should we try to artificially bring about such a relationship. We ourselves are in a position to understand that the most important thing is not sexual relations, but establishing an intimate relationship between two people, and of course such a relationship will lead to sex. But we know that the fundamental element is understanding, love, mutual discussion—and I say discussion because I think discussion helps the couple get to know each other better and to form stronger ties. So there is no need to fear discussion, either.

[Question] During the present process of rectification, the UJC is playing a key role, given that it is assigned to provide guidance to generations that will be free of the deformities we are combatting today. For this reason, I would like you to touch on some areas we know your organization is working on.

Let's begin with a very controversial one: cheating. This issue has been discussed a great deal from the pedagogical point of view, but this phenomenon has many other facets; it is undoubtedly a social issue that has repercussions in various spheres of young people's lives. What do you think of this, and what are its causes, in your opinion?

[Answer] I agree that cheating is not just a problem among students, and it is neither precise nor correct to simply label it a vestige from the past. I also feel that it will not be solved easily with a tremendous demonstration or with huge commitments, or a great propaganda campaign.

I agree that it is a politico-ideological problem which we must deal with not only by researching where it occurs and where it does not occur, but also, above all, by delving into its causes and working on them. We cannot continue to live with it, of that there is no doubt. Nor can we rely on the teacher as the only one responsible. That youth who discusses whether or not cheating is going on at his school sometimes hears a conversation among workers on the bus, in which they comment on dishonest attitudes at their workplace. And then there is the problem of grade school: The pioneer doesn't know what cheating is. Sometimes the teacher himself gets it started by telling him some of the things that will be on the test to make sure he passes. . . . Young people who have cheated have been in an environment where there has not been enough strictness, and all of us are responsible for that. Then we have the example of the infamous worthiness tests, in which an exam is only considered worthy if it is conducted in the absence of the teacher. But I think that the presence of the teacher is as important as the test itself; one is inconceivable without the other.

I also share the opinion that when cheating occurs, the entire school must come out and repudiate the person who did it, without regard for the fact that the boy who cheated has certain problems which must be worked on,

and without regard for his expulsion from that school, because measures must be taken. But then we must study the other problem that arises as a result: The youngster we kick out of school is soon rejected by everyone, and has neither school nor job.

He is almost forced to earn his living in ways that are not acceptable, indeed, through cheating. In other words, a teenager guilty of cheating needs as much support from the UJC as the teenager who does not cheat.

We are also irritated by the fact that, taking advantage of a given situation, a student who may have cheated at one time or another without getting caught may be able to criticize another in public, but what he is really saying is: "The problem is that you got caught." We must act on the causes and prevent the conditions from being created; we must seek more intelligent, vigorous, and combative ways of attacking cheating.

[Question] Many younsgters are forced or pressured by society to study professions for which they have neither vocation nor aptitude, because they are needed by the country. Then they end up being poor professionals—I am thinking of teaching careers, for example. What is the UJC's view of this at the present time?

[Answer] That has gone through various stages. For many years, young people were urged to undertake the functions that were indispensable to our society. Hundreds of thousands took on this challenge even though they had no such vocation, as they were motivated by the great need. Many of them acquired the vocation after they had already embarked on the career. I personally was a member of that First Detachment. At that time, the Teaching Detachment fulfilled its commitments and was partly responsible for the current success of Cuban education. Today the situation is different. The need is not so pressing, and it is a mistake to force people to become teachers. What we are going to do is prepare a series of programs aimed at strengthening the vocational orientation toward specializations that are not very attractive, such as teaching and agriculture.

It is always preferable to sacrifice the statistics so that we will not find ourselves with graduates who turn out to be failures at their jobs.

[Question] It is being said nowadays that Cuban youth have a high level of education and a low level of culture. Is that true, in your opinion?

[Answer] The curious thing is that everyone has an opinion about young people. I think this is justified, because youth is a very beautiful period, and adults want young people to have what they couldn't have. Sometimes they expect more of youngsters than they can produce. I believe that the cultural level of the kids is being judged unfairly. We know that thousands of them do not have any training, but we must recognize that this is a response to the general cultural level. I think our

young people as a whole are well educated politically and culturally. Sure, it could be better. We can talk about the problem of political information: We created the press survey, in which teens are asked questions about the most complicated issues of the day and the news items buried in the back pages of the newspaper. I am certain that if the one conducting the poll were asked similar questions, he would not know the answers either, and he would have been counted among the supposedly ill-informed. Today many kids are up to date on what is going on in Cuba, on the principal focal points of international tension, on the most important causes that are being defended in the world.

As for cultural matters, the main deficiency is that we do not teach youngsters to talk, to exchange opinions, to gain enrichment from the experiences of others. It is difficult for them to express themselves, yet they are well-informed, they do have opinions (which may sometimes be erroneous, but we we have gotten used to this idea that a youngster must know as much as the person evaluating him, when the important thing is for him to be able to say what he thinks). We have discussed this with the Education Ministry, and it tells us that the plans are formulated, that many things are planned. But in fact, we continue to see graduates of mid-level education who cannot engage in dialogue.

Now you also have countless examples of new values incorporated into cultural tasks, and the main audience in theaters and at shows is young people. We have a problem that we have been unable to solve: the absence of reading habits. We think that a mere campaign will not be enough; we must make sure the schools, first of all, are capable of spreading the idea that reading is a pleasure.

[Question] Youth emulation has emphasized form rather than content: There is a set number of activities to carry out in a given period of time, and anyone who completes them all is considered good without any analysis of the quality of his work, of his particular situation. This system has encouraged the promotion of those who dishonestly fulfill the plan without identifying with the tasks. How can this change? Are we moving toward a more comprehensive analysis of the young person?

[Answer] Well, within the UJC this has already changed; there is no emulation among the members of the organization. That does not excuse us, of course, from revising the emulative mechanisms of the Federation of Mid-Level School Students (FEEM) and the Federation of University Students (FEU), which are our responsibility. As for labor, we are also aware that the Central Organization of Cuban Trade Unions (CTC) is also reconsidering its structures.

Many mistakes were made in the efforts to attain high goals in emulation. For the FEEM and the FEU, we have already done away with the old ideas. Now, for example, the percentage of students promoted in a school does not determine its relative position; rather, that is determined by its capacity for mobilization and action, as perceived by the national leadership in the work of its FEEM or FEU. We must share this experience and our concerns with the trade unions so that we can evaluate and discuss them. And if there is still a system that seems to us to give priority to form over content, it is our duty to help it eliminate that formality in practice.

Oftentimes things are not intended to turn out the way they do, but when we put them into practice we destroy them. I think that the fewer slogans we throw around and the more dedication to work and study we encourage in individuals, the more we will contribute to the country's development. For many years, we have been reiterating that "emulation is the engine." There is nothing more superficial than to simply repeat that over and over while in many places there was no engine, or the ignition key was missing, or the engine and key were there but there was no one to start it up. Crazy. On the other hand, the emulation regulations prevented any adaptation of stimuli to the nature of each place. With these and other measures, we had stifled initiative—although, sure, this business of initiative is just theory. In some places it was stifled and in other places it wasn't. In each specific case a consultation process began that was so complex that it was better not to have any initiative.

Look, what we need is for emulation to rectify the errors that Fidel has been pointing out, in a fresh and vigorous way. All we need is for people to show up early at work, make full use of their workday, and then engage in recreation in whatever way they want. There is no reason to complicate matters.

[Question] Many internationalist youth complain that they are given little attention in the countries where they fulfill their missions. What is the UJC doing to improve this situation?

[Answer] We have had problems, and we must stop and consider. This is not a task that the UJC should undertake alone; various factors must be coordinated. Within the country, attention to these youths is already inadequate. If the internationalist was a worker, his place of employment should automatically take care of his family's needs, even without knowing them. In the case of someone with no such ties, the block committee nearest his residence is supposed to take care of this. Thus, if I were a member there, it would be my job to take care of a family I was meeting for the first time, and to write letters to a person I had never seen before. Well, we tightened up! In the places where this has yielded results, the youths who proved capable of establishing a good relationship under forced conditions should be given a diploma. Now those young people should be taken care of by those who really have ties to them, such as the Committee for the Defense of the Revolution (CDR) on their block, or the Federation. Of course, in general, the municipal UJC should be in touch with these youngsters' families.

The other problem is their situation abroad, where they are carrying out their mission. This does not directly involve the UJC, but we should not feel relieved of any responsibility for that reason. The political offices of the UJC in the Armed Forces have a system for meeting their needs over there. But we must improve, for example, the way they receive news from Cuba, publications, and letters from home. We must realize that these kids sometimes spend up to 2 years in a hole. We have not become as systematic as we should be (and as we have become with respect to Cuban students abroad).

[Question] It is said that General Military Service (SMG) is an honor, and not all youths are called. But those who do serve are often not the most outstanding students or workers. Therefore, the original idea that it was supposed to be an honor is contradicted in practice. How do you see this from a political point of view?

[Answer] Yes, General Military Service is an honor . . . an honor that many understand until it touches them personally, or hits close to home when a relative or close friend is called up. We are formulating proposals based on the idea that if it is really to be an honor, all youths must serve, including teachers and doctors. We went through a stage when, out of necessity, those professionals did not have to serve, and there was a tendency to go into teaching or medicine in order to "get out of the honor." That special concept of honor was very serious and very complex; for example, boys who finished their pre-university schooling with low averages and did not pursue careers were automatically called up for duty, but they were the only ones. We understand that a certain number of young men must remain enrolled in the university. Correct! But after finishing their studies, they must go into the Service. To be sure, analyzing it casuistically, for a year, or two or three . . . but all must serve. We have already had the experience of youths who took advantage of Order 18: They didn't do very well in pre-university, they went into the military, put in their 2 years, and now are at the university. They won't be the most outstanding students, but life dictates that they are the best educated politically, the most human. This means that we must exploit this solution.

Other situations arose in connection with the wellknown list of medical problems. Any old thing would get you out of military service. According to those rules, if you had flat feet, you didn't get in. And look: If the Yankees came here, no one would have his feet inspected to see if he was fit for combat; everyone in the world would fight. The military already checked that list, because everyone goes camping, dances, gets exercise. And likewise, everyone can climb on top of a tank or get behind a machine gun, and if not, they can at least go give water to people. This battered concept of honor that we were talking about has been the result of a deficient political effort. When a young person is summoned to the recruitment committee, he is given a paper that says if he doesn't show up, the law will do all kinds of things to him; when he arrives, he finds that 300 other people

have been called in at the same time, and that no solemnity is observed there. He encounters a mere row of tables; there is no shield, no flag (not even a place to get a drink of water), and he is shunted from one place to another as if he were a package. He is asked everything from his pants size to whether or not he is willing to fulfill an internaitonalist mission, on the same questionnaire. And to top it all off, a farewell ceremony is organized that, if the truth be known, is actually one of the most formal events organized by the UJC. At that ceremony, which is usually less strictly run than most events, we call upon a mother to express her feelings, and we have her read a statement of her feelings. This is how the farewell is done, and the young man goes off to enter the Service.

But everything does not end there. Because when he comes back from the Service he finds that he is out of a job and must look for work on his own. If a youth who has ties to a place of employment goes through this process, his employer discharges him, lets him go for good. When he is gone, another takes his place.

For all of these reasons, we are undertaking a serious study. We are making proposals to the Revolutionary Armed Forces (FAR), to Education, and to the State Labor Committee.

[Question] Let's talk about sports. The Los Caribes university games and other inter-school games that arose spontaneously, and were not in the same class as national or provincial or even municipal competitions, but did give the students a lot of pleasure and kept the sports flame ignited, have been eclipsed and have lost the spirit that characterized them. To compare the present to the past, suffice it to say that leaders such as Mella and Fidel used to participate in competitions of this type. What do you think contributed to the loss of this tradition?

[Answer] I share your concern. Actually, these events have not been lost. They still exist, and in fact there are more of them. But what we have indeed lost is the systematic practice of sports that existed at that time. We have been to blame, because we complicate kids' lives with millions of meetings and activities. It is hard to find time in the day to do exercise (although sometimes that has become a pretext for complacency). We must insist on making it possible for young people to engage in some sport, whichever one they want. Although the physical education that we receive from childhood has served its purpose, it is also boring. The same exercises from the first grade on: "Arms forward, arms back." They create a horrible image of physical education. Then, when you get to the preuniversity level, it is a tremendous complication to choose a sport. When you get to your second year at the university, you are happy to get rid of that terrible burden; you never want to do sports again for the rest of your life! And in spite of everything, we want youngsters to be in the habit of engaging in sports.

[Question] And what can you tell me about the famous UJC-INDER plan for physical efficiency tests, which make you do I don't know how many sit-ups, I don't know how many deep knee bends, once a year (just once!) to satisfy the municipality?

[Answer] Plans . . . we've had a lot of them, of all kinds. Like the one you're talking about. Now we have tried to simplify one . . . I mean a new plan . . . and promote a movement that has already proven itself: "Ready to Conquer." But this time we will take out the formality and restore the spontaneity it once had, even though it will be a directed movement. It is a matter of fomenting and spreading a love of sports, and we will preach by example, as Fidel himself does.

[Question] How many laps do you run?

[Answer] Ten a day. After this is over I'm going out to run. But I confess that for a long time I didn't put in my laps, hiding behind the excuse of the lack of time (the real problem was that I didn't like it).

[Question] Speaking of spontaneity, people think that the block committee, as a working cell, functions only upward, responding to the plan handed down by the municipality, and that it doesn't work downward, dealing with the problems in its area. Sometimes it spends all its time calling for reports, keeping minutes, discussing a ton of political interest groups. Sometimes we invite young people who are not members to attend some functions, but in general they have nothing to do with the block committee, and in turn, the block committee gets out of touch with the concerns of all those youths. How will the UJC deal with this work from now on?

[Ouestion] This issue is of great interest to me, and right now, for the first time in public, the UJC is taking up the matter of working with young people in a critical manner: the way the block committees have worked "upward," "sideways," and "with those down below." When I say "with those down below," I am referring to that curious theory that to "prepare themselves," young people must do a series of things which will later enable them to join the ranks of the UJC: the famous tasks like fixing the mural, going to a volunteer job assigned by a block committee because "it is assumed" that if I am a member I am already "prepared" and I don't have to do that, I'm on this side. As a result of the open assemblies that were held before the Congress, these things have come to light. They were even frank enough to say: "The assembly has been very good because a lot of things were said about the block committee." And we think that yes, to the extent that people were brave enough to point out these things, the assembly was a good thing . . . but the work of the block committee was a bad thing!

We must stop thinking among ourselves that the raison d'etre of a block committee is not just its own members, whether or not they go to the meetings and to the political interest groups (which have also been full of

**CUBA** 

formalities). The problems of the block committees are really the problems of their classrooms or workplaces. And that block committee is not good because of the brilliance of its members-oftentimes they are not brilliant and we have to take out those who are not-or because it never fails to fulfill the objectives set by the UJC committee or the municipality. We must know what young people think, what personal problems they have. The UJC is merely the organization that is supposed to channel and interpret these concerns and interests. Even that is not being done, and we must begin a new stage aimed at achieving it. We must make use of dialogue and discussion with young people. I think the UJC has very little in its internal affairs that cannot be revealed to other youngsters. If the Party itself has discussed practically its entire program in public, why should the members of the UJC discuss matters in secret? I think non-members should know where we have gone wrong, whom we have punished. At one time, the "closed" political interest group played its role; now we must see how we can change the concept of the interest group so that a dialogue can take place.

[Question] It is common practice for the members to be criticized only within the block committee, and never in front of all of their fellow workers or students. A member publicly criticizing another member is frowned upon, because it is said to undermine the prestige of the other member. Nevertheless, people really think the idea is to protect the comrade who has made mistakes. That widens the gap between members and non-members, and leads to mistrust in the organization. What do you think?

[Answer] That's the way it is. We have been at assemblies where someone is to be criticized, and he says: "No, I am a member. That problem is something for my block committee to look into." And what this does is create an atmosphere around the block committee. This deformity has developed on the basis of a legitimate aspiration: to make sure the members behave in such a way as to prompt as little public criticism as possible. It is assumed that these members are models of honesty and dedication. But whenever this is not the case, that naturally increases the possibility of public scrutiny.

We must strive to keep the membership clean so that these situations do not arise. Or we must make sure mistakes are discovered right away by the comrades on the block committee. Nevertheless, what we cannot in any way accept is an aspiration becoming a shield that protects wrongdoers. Criticism of members is something we are willing to accept in any place, at any time. And if there is criticism, it must lead to a thorough analysis within the organization. And I don't want to talk about sanctions, because we have also made the mistake of thinking right away of a sanction for everything. I think that both extremes are bad.

[Question] What have been the principal deficiencies uncovered at these open assemblies?

[Answer] We have devised a new language that we really needed. We noted primarily a lack of communication with young people, and a tendency to "go through the motions" in our work. There was also a lack of devotion to the work by the members, and a failure to make full use of the workday. These are the same problems that plague the labor sector in general, because one way or another young people are implicated in these problems, either actively or passively.

We must profit from the experiences of these open assemblies, and accustom ourselves to having more freewheeling discussions in our meetings. We used to have such well-prepared meetings that everyone knew ahead of time what was going to be said. And if anyone brought up some other matter, we thought he was "throwing a monkey wrench in the system," that "that was not the place to bring it up."

In addition, we must change our concept of politicoideological work. We cannot view it merely as something that is done in connection with a certain campaign. We must approach it like everything we do every day. A meeting that turns out well represents a good politicoideological effort; a bad meeting is a politico-ideological disaster.

[Question] And are you proposing something new with respect to growth in the UJC? Haven't some concerns arisen? We have had the experience, for example, of the municipality demanding that we expand by three because we have three non-members at our workplace, as if it were a labor objective.

[Answer] Where are you located, in Plaza?

[Question] Yes.

[Answer] Ah, I was first secretary at Plaza!

[Question] Well, but that must not have been last year.

[Answer] No, no. If that happened, it was simply a violation of established procedures, and there are also those who do that.

We have already done away with the so-called "quota," because our current social composition allows it. First we tightened the requirements for membership, and we we have gotten rid of the guidelines that forced you to expand with workers. I recall that the quota used to be so detailed that the only thing missing was the name of the person who was supposed to join; they had to be a certain age, a certain occupational category . . . all you needed was hair color and two or three other features to be able to say: "That's so-and-so!" It was as if they had seen the person before. Now every local organization evaluates the youths in the area on the basis of the political requirements for membership, and their names are turned over to the municipality to meet the growth plan. Quality and seriousness must prevail.

We must realize that this is the first face of the organization that youngsters see; and if that first impression is that individuals are selected at random to undergo a hasty process—the municipality demanded a quick interview, photographs on the run—and in addition, the I.D. card was sent and put on the desk like another piece of paper, then the youth will end up regarding membership in the UJC as a series of bureaucratic procedures (incidentally, we are reviewing the file because we think some information may disappear).

We are going to try to salvage the political aspects of the growth process, which did exist in the early years of the UJC. We are going to restore those exemplary assemblies where every future member is proposed by his school or workplace, rather than using exclusive evaluations by the block committees.

[Question] What are the principal tasks the UJC is embarking on after its congress?

[Answer] The guidelines for action are much more up to date. We intend to fulfill and even exceed the proposals made at the 3rd Party Congress with respect to the work of the UJC, as well as the results of our own congress. In the future, we will engage in a massive effort that will define and characterize the action of Communist youth.

We must take a special interest in those aspects of Cuban life which young people can influence. I am referring to overcoming the deficiencies in occupational training, and disciplinary problems.

We must demand more complex tasks. Save the coffee in the Sierra Maestra? Give us the Sierra. But the conditions must be right first: We know that people have left there precisely because there is no water or electricity... Then why do they want kids to stay there without electricity, water, or roads? We cannot think that we can use the same criteria we used to mobilize contingents for 45 days, when now we are keeping them mobilized for 2 years. We must analyze what a priority project really is; the fact that we have hundreds of young people gathered in one place, with millions of problems, does not mean that a priority project is underway there. They need

We must devote ourselves to school, work, and defense with mechanisms and working styles that will make the UJC an organization that young people love and remember with fondness, not just an organization that holds meetings and ceremonies. We need discussion, dialogue, freshness, dynamism. Everything we do must send a message, leave a mark. And we must find a language that

certain conditions, material support for their work. The

UJC's primary duty is to confront those who failed to

provide the necessary resources for the job.

is increasingly attuned to youth.

Unfavorable Trade Balance Jan-May 1987 32480025b Santo Domingo LISTIN DIARIO in Spanish 20 Sep 87 p 9

[Article by Jose Romero]

[Text] From January to May 1987 (the first 5 months), the foreign currency revenue of the Central Bank for exports was about \$240.4 million, an increase of \$37 million compared to the same period in 1986 or almost 18 percent.

On the other hand, foreign currency payments for imports totaled \$296.4 million, some \$7 million less than in the same period last year.

According to official figures, in January the Central Bank received \$46.9 million for exports and paid \$66.6 million for exports. In February, it received \$53.2 million and paid \$46.6 million. In March, it received \$45.3 million and paid \$40 million. In April, it received \$45.7 million and paid \$53.4 million and, in May, it received \$49.3 million and paid \$89.8 million.

During that period, it received a total of \$240.4 million for exports and paid a total of \$296.4 million for imports with a deficit of \$56 million in the foreign currency trade balance.

At the end of the same period in 1986, the foreign currency balance reached a deficit of \$100 million. In 1987, therefore, the deficit was reduced by \$44 million.

According to official bank statistics, between January and May the country exported \$328.5 million and imported \$628.8 million. Many exports still apparently have not been paid for in foreign currency, but there are also many imports that the bank has not yet paid for.

According to those statistics, the trade deficit for the first 5 months of the current year was \$300.3 million.

From January to May 1986, recorded imports totaled \$502 million and exports totaled \$278.3 million. The deficit was \$223.7 million—that is, \$76.6 million less.

Exports have increased 18 percent and imports 25.3 percent.

Exports have behaved as follows: in 1983, they totaled \$785.2 million and, in 1984, they rose to \$868.1 million. In 1985, they totaled \$738.5 million and, in 1986, \$722.1 million.

On the other hand, imports behaved as follows: in 1983, \$1.279 billion; in 1984, \$1.2571 billion; in 1985, \$1.2659 billion; and in 1986, \$1.2662 billion.

According to this, the annual trade deficit was as follows: in 1983, \$493.8 million; in 1984, \$389 million; in 1985, \$547.4 million; and in 1986, \$544.1 million.

There has been a trade deficit every month so far this year. In January, it was \$68.4 million as a result of exports of \$57.5 million and imports of \$125.9 million.

In February, the deficit was \$50.6 million, the result of exports of \$55.1 million and imports of \$105.7 million.

In March, it was \$63 million, the result of exports of \$74.1 million and imports of \$137.1 million.

In April, the trade deficit reached \$70.2 million, the result of exports of \$52.1 million and imports of \$122.3 million.

In May, it was \$48.1 million, the result of exports of \$89.7 million and imports of \$137.8 million.

The behavior of the main sectors compared to the previous period (between parentheses) was as follows: sugar, \$99.8 million (\$66 million) with payment of \$83.2 million (\$37.7 million).

Coffee, \$18.9 million (\$47.3 million) with payment of \$8.7 million (\$44.7 million).

Cocoa, \$43.1 million (\$32.5 million) with payment of \$39.5 million (\$28.1 million).

Tobacco, \$6.5 million (\$9.2 million) with payment of \$4.5 million (\$10.9 million).

Nothing from bauxite.

Ferronickel, \$45.6 million (\$22.6 million) with no reports of payment.

Gilding, \$48.5 million (\$45.9 million) with payment of \$46.7 million (\$26.7 million).

Miscellaneous, \$66.1 million (\$54.8 million) with payment of \$57.8 million (\$55.3 million).

Other minor agricultural products include anatta, peppers, auyama, avocados, sweet potato, dried coconut, citrus fruits, unprocessed guandul, kidney beans, molondron, banana, tomato, ayutia, and yucca.

Other products are chemical fertilizers, beef, wallets and purses, beeswax, cylinders for gas, nails and clamps, coconut oil, kraft paper, canned guandul, canned mushrooms, canned honey, refrigerators and freezers, tomato paste, skins and prepared leather, and pasta.

### Central Bank Decreases Money Supply by 800 Million Pesos

32480025a Santo Domingo LISTIN DIARIO in Spanish 24 Sep 87 pp 1, 13

[Article by Jose Romero]

[Excerpts] Central Bank has withdrawn 800 million pesos from circulation so far this year, according to a bank report.

The report also points out that the bank feels that the current rate of exchange of 3.50 pesos is realistic based on its own technical studies and those of other international organizations.

The report was prepared by the bank's economic adviser, economist Jose Carlos Isaias.

The monetary issue as of 15 September was 1.899 billion pesos, a reduction of 159 million pesos (9.2 percent) compared to the end of 1986. The amount in circulation for the same period was 2.684 billion pesos, an increase of about 7.2 percent since January 1987.

The economist explained one of the reasons the amount in circulation has not decreased more. Businessmen are withdrawing resources from non-monetary financial organizations in order to deposit them in current accounts (deposits that are used to calculate the amount in circulation) to be used as working capital. They have a greater need for operating capital due essentially to the increase in economic activity.

Gross withdrawals from circulation from August 1986 until now total 3.1868 billion pesos while the issue for the same period is 2.3925 billion pesos. In other words, net withdrawals from circulation equal 794.3 million pesos.

Isaias felt it was obvious that the amount in circulation was not a major factor in the increase in the rate of exchange.

He indicated that the aggregate demand in imports caused by the healthy economic revitalization we are currently experiencing has its costs.

He stated: "It is a governing principle in economics that a greater economic growth means a sacrifice in currency depreciation which, in turn, makes our exports more competitive on the international markets."

Economic revitalization is evident in the 11-percent increase in the GDP during the first half of 1987. It is projected to grow 7 or 8 percent by the end of the year, according to the economist.

He felt that our current tax structure is based on direct taxes on consumer goods. This has a significant inflationary ingredient and must be changed.

He said that the Secretariat of Finance has worked hard to prepare a "Tax Package" to help the large working masses who bear the tax burden because of their fixed incomes.

He stated: "In our opinion, adoption of this reform would mean greater coherence between the tax policy and the monetary policy."

### Communique on Botswana President's Visit Issued

**Programs of Cooperation Concretized** 32980075a Georgetown SUNDAY CHRONICLE in English 25 Oct 87 p 8

[Text] Last week's State Visit by President Quett Masire of Botswana helped in strengthening relations between Guyana and Botswana, the leaders of the two countries said in a communique setting out the main achievements of the visit.

The extensive discussions took place in "an atmosphere of smoothness and cordiality" characteristic of the excellent relations between the two countries, the joint communique yesterday at the end of the visit said.

Among the results of the visit was agreement by the two leaders to concretise programmes of co-operation under an economic, technical and educational co-operation agreement signed at the end of the visit, and a call for increased aid to the Frontline African States.

Other issues dealt with in the communique were the need for steps to ensure the decisions of the recent Vancouver summit to be effectively implemented, the general question of Southern Africa, developments in the Central American peace process, and the international economic situation.

"With specific reference to Southern Africa the two leaders expressed their concern that the crisis situation in that area had deteriorated during the past two years, because of the continuing intransigence of South Africa.

"They agreed that in addition to the pressure being exerted by the international community to bring an end to the abominable system of apartheid and to withdraw from Namibia, increased aid to the Frontline States would greatly assist those States in lessening their dependence on South Africa and in strengthening their capacity to defend their territorial integrity," the communique said.

Botswana is one of the Frontline States, or States bordering South Africa.

Presidents Hoyte and Masire both reasserted their commitment to help intensify international pressure for an end to apartheid and to see peace and security restored in the region. With regard to Namibia, they agreed on the necessity for the immediate granting of independence to the country in accordance with UN Security Council Resolution 435.

In relation to Latin America and the Caribbean, the leaders expressed satisfaction at the signing of an agreement by Central American presidents.

They felt "this development marked a decisive step forward in the search for peace in the troubled Central American region and expressed the hope that States concerned would co-operate actively in ensuring the creation of conditions for the unimpeded implementation of the agreement."

In reviewing the international economic situation the leaders expressed concern at the lack of progress in efforts to promote dialogue with the developed countries for the creation of the New International Economic Order.

In the absence of such progress, they stressed the need for intensified action for the promotion of South-South co-operation.

Their agreement to concretise programmes of co-operation under the economic, technical and education cooperation agreement signed here last week was part of their own efforts to strengthen bilateral relations.

#### More on Visit

32980075a Georgetown GUYANA CHRONICLE in English 27 Oct 87 p 4

[Text] Exchange visits to Gaborone and Georgetown over the past 12 months have enabled the two Governments to work out proposals for meaningful co-operation and for President Masire and President Hoyte to ratify those arrangements here.

One element of their discussions, Dr. Masire told reporters was a student exchange programme. Other aspects included the bilateral transfer of technological innovations and a consolidation of links between the Guyana and Botswana National Services.

/06091

### CHRONICLE Journalists Suspended After Strike Action

#### Report on Protest

32980076 Georgetown GUYANA CHRONICLE in English 29 Oct 87 pp 1, 3

[Text] Journalists at Guyana National Newspapers Ltd [publishers of the CHRONICLE newspapers] mounted a picket line outside GNNL Lama Avenue premises Tuesday, as they protested what they called "delaying tactics" on the part of the authorities with regard to a wages issue.

Later, a Clerical and Commercial Workers Union statement said that the matter of rationalising emoluments of journalists at the newspapers with those at the Guyana Broadcasting Corporation had been pending for some time, an exercise that would lead to higher wages for Chronicle staffers.

In reply, GNNL's General Manager Ulric Captain said that the matter had been referred to the Ministry of Finance, and it is his view that there had been no undue delay in its processing. The new wages are to benefit both the Editorial and all other sections of the GNNL operations.

The picketers also called for the appointment of Sports Editor and Chief Reporter in the Editorial Department.

In answer to this, an Editorial spokesman said that the high turnover of staff in this department has made it difficult to make appointments in a few key positions. These include Sports Editor, Chief Reporter and Specialist Journalist.

There is an acting Sports Editor in the Department and the other two positions are vacant.

The GNNL management regards Tuesday's exercise as unusual and strange, bearing in mind the relationship among itself, workers and the union, and the information that flows from management to representatives of both the union and the workers.

### **Suspension Action**

32980076 Port-of-Spain TRINIDAD GUARDIAN in English 9 Nov 87 p 2

[Text] Georgetown, Cana—Journalists and other employees of Guyana's state-owned *Chronicle* newspaper on Friday began receiving suspension letters, after staging a demonstration on October 27 to protest delays in receiving outstanding back pay.

The sources also told Cana that the *Chronicle* management had decided that in order not to disrupt production of the newspaper, the suspension of the demonstrators for one and two day periods, would be staggered over several days.

### **Climate of Hostility**

Meanwhile, the CCWU said it had written the newspaper's management warning that "any attempt by management to create a climate of hostility to the workforce at the newspaper will be non-productive."

The union's statement was made in response to the company's decision last Saturday to write the workers who had demonstrated, asking them to explain their absence from the job during a 45-minute period on the morning of October 27, and to give reason why disciplinary action should not be taken against them.

The CCWU said it considered the letters to the workers to be "letters of intimidation" and that it was "very concerned" about developments since the protest action taken by the workers.

"The union wishes to warn that any attempt to victimise the workforce for taking legitimate action to achieve their rights would be met with a very positive response from the union," CCWU President Gordon Todd said in the statement.

The October 27 demonstration, the first here by journalists of the state-owned media in at least a decade, has reportedly angered a number of senior government functionaries here.

/06091

### Portraits of Cordoba Montoya, Other Salinas Aides Sketched

32480032 Mexico City PROCESO in Spanish No 572, 19 Oct 87 pp 7-11

[Article by Oscar Hinojosa]

[Text] Perplexed and confused, Ripley might have his doubts before about including this fact in his encyclopedia of unbelievable events. In the midst of his upward course, the precandidate—precisely at the moment when, by virtue of and thanks to the miracle-working powers of the PRI, he was possessed of all of the virtues, a man remote from error and blundering since 10:05 am on Sunday, 4 October—suffered a lapse.

On Tuesday, 13 October, Carlos Salinas came forth with a statement.

"There will be no foreigner who can come to tell us what Mexico's path is..."

This statement is hard to take literally, because Salinas appointed a foreign economist to a crucial and decisive position in the Mexican government—that where the economic and social policy is defined, that which he himself occupied when Miguel de la Madrid was secretary of Planning and Budget (SPP)—the Economic and Social Policy Office.

The opinion of Jose Cordoba Montoya does not seem irrelevant when it comes to deciding what Mexico's path is. Brilliant like Salinas, a harsh and imperative polemicist like him, a monetarist and neoliberal like him, and young, just as he is, this man is now in charge of a central task in the precandidate's campaign, as adviser for special affairs. In the SPP, he is the gray eminence of the gray eminence. He is to Salinas what Salinas was to Miguel de la Madrid, with certain qualifications.

Born in La Ciotat, in the southern part of France, on 1 June 1950, Cordoba Montoya, the son of Spanish immigrants, earned an engineering degree from the Polytechnical School (1970-1973), and shortly afterward, a diploma in advanced mathematical studies from the University of Paris IX-Dauphine (1973-74). At Stanford University, noted as one of the centers of conservative economic thinking, he earned a doctorate in economics (1974-1977). He then became a professor in the Economics Department at the University of Pennsylvania (1977-1979).

In the life of this young economist of French-Spanish origin, 1974 was a year of intensive activity. He received his diploma from the University of Paris, began his doctoral studies at Stanford, participated in the seminar on the Economics of Multinational Enterprises (Salzburg Seminar in American Studies), and became a member of the group of economic advisers working with Francois Mitterrand, the Social Democratic candidate for the presidency. (Taken, like the other facts from the official

curriculum vitae of Cordoba Montoya, this item is of special interest to the Mexicans who were economics students in France in those years—either this man had the gift of being everywhere at once, or else he spent a short time with the group advising the present chief executive of France. During that campaign, which ended with the victory of Valery Giscard d'Estaing, the chief adviser was Jacques Attali, while in the victorious 1981 campaign, the chief adviser was Jacques Delors. Both have an economic approach very different from that of Cordoba Montoya).

In 1977, the same year in which he served as a professor in the Economics Department at the University of Pennsylvania, Cordoba was the adviser to the director of research at the Algerian Ministry of Agriculture and Agrarian Reform.

He was to stay a very short time in that post, as well, because in the following year, 1978, he was appointed adviser to a Mexican official—no less a figure than than Francisco Gil Diaz, the patriarch and recruiter of the monetarists, who was then director general of income policy in the Secretariat of Finance. First France, then Algeria, and then Mexico.

He then rose to the post of director of regional planning at the SPP, and began his affiliation with Salinas de Gortari, who entrusted the strategic General Economic and Social Policy Office to him at the beginning of De la Madrid's current 6-year term.

### A Full-Fledged Mexican

A small obstacle developed, however, during the Mexican period of international adviser Joseph Cordoba Montoya (as he is listed on his official immigration papers)—the Constitution.

At the beginning of 1983, the Interior Secretariat sent a circular to all of the government departments containing a clear reminder that public posts could only be held by Mexican citizens, if the limitations established in Articles 32 and 128 of the Constitution were to be respected. The first of these says that under equal circumstances, Mexican citizens will have preference over foreigners, with regard to "all categories of concessions and all government jobs, posts or commissions in which Mexican citizenship is not indispensable." Article 128 provides that "Every public official, absolutely without exception, will, before installation in his post, take an oath swearing to safeguard the Constitution and the laws which emanate from it."

Presumably because of this Interior Secretariat circular, Cordoba Montoya was removed from the Economic and Social Policy Office, but on the other hand, he was appointed chief of Carlos Salinas de Gortari's advisory team.

His powerful bosses must value this man highly, because he became a full-fledged Mexican. First, subsequent to the Interior Secretariat circular, he obtained renewal of his Form FM-3 for 1 year, which gave him nonimmigrant status as a foreigner, but in just a few months, without first obtaining immigrant status, which takes 4 years, the Secretariat of Foreign Relations granted him naturalization papers.

Today he is one of the officials Salinas has transferred from the Secretariat of Planning and Budget to take up strategic positions in the Institutional Revolutionary Party.

His is a strategic position, as the articles published on various dates in the daily newspaper LA JORNADA in this capital city reveal. In an article published on 24 July 1986 (front page, continued inside), Cordoba praised the position of the Mexican government with the International Monetary Fund (IMF).

At the conclusion of the moderately progovernment article, it said:

"Just as in the negotiations with the IMF, the principles set forth in the presidential address last 21 February came to prevail, in the negotiations with the banks, an effort will be made to guarantee that the new financing represents not only fresh credit under market conditions, but also involves an important concessionary element, reflecting the real participation of the creditors in the economic effort made by Mexico. The "concessions" obtained from the IMF in terms of program and methods must be followed now by more substantive concessions on the part of the creditor bank."

He went much further, on the other hand, in an article drafted as a response to Ifigenia Martinez, a leading economist and official of the Democratic Current, on 8 June 1987.

On that occasion, in response to the statements made by the economist in an interview granted to PROCESO, he said:

"In view of the vehemence of certain assertions, it seems necessary to distinguish the real facts from their false interpretation. The latter, however, can be explained in terms of the fact that primitive, obsolete and decadent criticism inevitably leads to erroneous and simplistic analyses."

Another paragraph bore the house trademark.

"Economist Martinez," Cordoba said, "motivated perhaps more by enthusiasm for criticism than by a desire to understand, frequently lapses into the framework of a line of thinking which is usually called primitive, clinging to the level of certain appearances, fragmenting reality, ignoring the causes of phenomena and unaware of the results of their connection."

And also this:

"Apparently, for economist Martinez, the sun is still rotating around the earth."

He also set forth his conviction that "The nationalist economic policy of the government of President Miguel de la Madrid has provided a response, direct and without demagogy, to the risks and obstacles of an extremely difficult situation..."

But cruel Ifigenia quickly returned to her typewriter. She replied in that same newspaper (20 June 1987) as follows:

"Mr Jose Cordoba recently published a profuse, confused and muddleheaded article in a fruitless attempt to respond to the criticisms of the present economic policies, which are circulating throughout Mexico but which he generously attributes to me alone."

Mrs Martinez concluded her thesis as follows:

"To fail to see that the widespread rejection of the economic policy is justified is like trying to block out the sun with one's hand."

The title of her response—"The Gray Eminence Appears"—is suggestive.

#### Camacho and the Interior Secretariat

Carlos Salinas is generally surrounded by gray eminences who are known to be brilliant, talented and well-trained men. One of them, close to him as few men are and his friend and comrade of many years, is Manuel Camacho, who heads the Secretariat of Urban Development and Ecology (SEDUE).

It is thought that he has sufficient qualifications for seeking the Interior Secretariat post, contending with major representatives of the old political generation such as Fernando Gutierrez Barrios, who enjoys a position of confidence in the political system, Rodolfo Gonzales Guevara, Alfonso Martinez Dominguez, Jorge de la Vega Dominguez, Humberto Lugo Gil, Guillermo Jimenez Morales, etc.

Camacho would have competition, because the Interior post would be one of the few positions which the new political generation—managers and technicians—would surrender to the dinosaurs of the system. The technocrats would be unlikely to make concessions in any of the other administrative sectors.

Salinas and Camacho established a personal and political relationship at the National School of Economics of the UNAM which was to a great extent to determine the career of the present head of the SEDUE. As of 1980, Salinas chose him as his adviser in the Economic and Social Policy Office, and then, after the team of Miguel

30 MEXICO

de la Madrid had triumphed, made him deputy director of the PRI Institute for Political, Economic and Social Studies (IEPES). And once the new government was installed, he appointed him, with presidential consent, to serve as deputy director of regional development at the SPP. The career of Manuel Camacho received yet another decisive impulse when he was appointed head of the Secretariat of Urban Development and Ecology, following the bureaucratic shift which led to the removal of architect Carrillo Arena.

It can be said of few public officials as it can of Camacho that they enjoy the personal gratitude of their superior, that they see eye to eye in their view of the world and the country. These two have done many things together.

For example, they published essays on dependence and the Mexican state in the same issue, the original one, of PLURAL, a publication headed by the poet Octavio Paz.

In "The Mexican State of the Future" (November 1974), Camacho postulated that the new economic and political problems and continuous change would inevitably lead to a stronger state. He then posed questions which, he said, "can only be answered by action and concrete struggle."

Camacho's questions are embarrassingly tactless today.

"Who will head the state? Will it be a bloc made up of major capitalists, the multinational companies and foreign political agencies, together with a neo-Porfirio-era civilian and military technocracy? Or will it, on the contrary, be a compact group of visionaries, cautious and responsible, drawn from a new generation of professional politicians, leaders of the workers and the people with real strength, and intellectuals with the historical perspective and new social morality which would have the constitutional and functional support of the Armed Forces and organized groups of the people? The former means the choice of submission, and the latter a modern struggle with historical legitimacy."

#### Emilio Lozova

As close to Salinas as he is to Camacho, Emilio Lozoya Thalmann can expect a front-line post. If it were 1 December 1988 today, those watching the conduct of the governing elite say, Lozoya would be secretary of labor.

Lozoya was appointed by his superiors to serve as director of international relations in the youth office of the PRI in 1970, 5 years after Camacho had completed his brief passage through the PRI youth movement. Lozoya, who was a comrade of Camacho and Salinas at the ENE, has an academic background, as is commonly the case with government administrators today. He went to Harvard, where he obtained a master's degree in public administration, and to Columbia, where he took a master's degree in business administration.

Although during their studies Salinas and Lozoya were not at Harvard at the same time, an observer of the careers of the two men has noted that they were scholarship students abroad at the same time.

The people familiar with the government group and experts on the leadership elite interviewed by this reporter predict a promising future. The officials in Planning and Budget, Finance, the Bank of Mexico, the nationalized banks and Commerce, basically, will continue to hold the reins of power in their hands.

And the administrators trained at the Autonomous Technological Institute of Mexico (ITAM), the Monterrey Technological Institute of Higher Studies, the Iberian-American University and other private universities of that sort will reiterate the victorious cry: "Now we've done it."

This will predictably be the case for Pedro Aspe Armella, the solitary economist from the ITAM and the Massachusetts Institute of Technology, no less, who in only 9 years in the government has reached the level of the new presidential "waiting room"—the SPP. Aspe, who is only 37—the average age of the new government leaders—embodies the economic and political philosophy of the government which Carlos Salinas would head.

"Revise the organic structure of the financial sector and you will have the basic elements for appointing the next cabinet," the experts consulted by PROCESO say. "They will do it again," they add.

Just as predictably, Emilio Gamboa Patron, the private secretary of President Miguel de la Madrid who is close to Salinas, will have an important position again. Under such circumstances, his would be a special case of political survival, almost never before achieved by a private secretary to a president.

### Those Who Have Changed Direction

Deputy Socrates Cuauhtemoc Rizzo Garcia, the liaison man in the Congress, has accomplished a basic task in the promulgation of the laws sponsored by those responsible for the economic policy, after heading the important economic and social policy office at the SPP, as Jose Cordoba's replacement.

Socrates Rizzo has had a political career somewhat different from those of his colleagues on the team in the Salinas group. In his youth, in the 1960s, he was a "raving leftist," as they were called then. With some difference in degree, his is a case like that of Gonzalez Pedrero, the director of the IEPES. He went from the left-wing opposition to the PRI to the radical government faction. A member of the Spartacus Communist League founded by Jose Revueltas, Socrates preached a radicalism condensed in the slogan "Not one step backward...even in order to take flight."

The governor of Tabasco, the Marxologist and implacable critic of the PRI Gonzalez Pedrero, had a similar and now well-known history. In the pages of POLITICA, the publication headed by Manuel Marcue Pardinas, he prophesied the inevitable end of the PRI. The "great turnabout"—the premonitory title of a book by Gonzalez Pedrero—is one efficient method of achieving power.

Less ardent, Otto Granados, another of the men in the Salinas group, who is secretary of Information and Propaganda, is among those who have chosen to criticize from within.

In "The Peasant Organizations in Mexico," Granados maintained that the electoral weight of the National Peasants' Confederation is excessively important to the PRI. "The proof of this," he said, "is that real peasants have almost never been allowed to reach the leadership level of the confederation. Rather, the general trend has been to promote leaders prefabricated by the state itself."

Ten years prior to the publication of this criticism, Granados had joined the government party. He owes his political career, it appears, to his affiliation with Jesus Reyes Heroles, whose private secretary he became.

Other Reyes Heroles supporters also found themselves in favor with the Salinas group when their leader died. This could be said of Patricio Chirinos, the secretary of Salinas Electoral Action, and Miguel Lopez Azuara, deputy secretary for information and propaganda for the PRI. (On the death of Reyes Heroles, his disciples scattered. Each interpreted the message of the master in his own way. Some went with Del Mazo, others with Bartlett, etc.)

Another man close to Salinas (and his colleagues, apparently), or to be more precise, a disciple of President De la Madrid, is the governor of Guerrero, Jose Francisco Ruiz Massieu. His line of thinking is vocalized in the same way as that of Salinas—he too explains the new policy.

An editorial writer for LA JORNADA until he began to publish his own material, Ruiz Massieu achieved notoriety when he compared the old politicians with "the Fords of the 1930s"—durable, but antiquated.

In his articles, he described the old and the new politicians.

The old politicians "lack ideas, or if they have them, they do not set them forth. Their language is cryptic; they lapse automatically into repetition; and since they yearn for the eras in which there was no opposition, no national debate and no crisis, they confuse criticism with betrayal, and questions with challenge."

The new politicians, on the other hand, know that things have changed, that there is a combative opposition, an implacable press and a citizenry which is impatient and challenging. "The modern politician makes every effort to respond in order to win support, and he speaks out publicly, aware that the struggle exists, even if he does not venture into the struggle."

But Ruiz Massieu nonetheless knows that the resources of the old political generation are essential to the rise of the new politicians. In that same article ("A New Political Class or a New Politics?", p 32), nothing seems to restrain his De la Madrid approach.

"De la Madrid conducts himself skillfully in the interviews he grants to the mass media. His teaching experience enables him to answer in orderly fashion; his intellectual exigency ensures that his answers are neat, although not lacking in deliberate developments and nuances; and his political style leads him to move easily and cautiously, like one familiar with the ground he is covering and the site he wishes to reach."

These are the men in the Salinas group.

However, there are others on board the train temporarily who might follow along its track, such as De la Vega Dominguez and Lugo Gil. Surrounded by Donaldo Colosio, Patricio Chirinos Calero, Maria Elena Vazquez Nava, Otto Granados Roldan, and Enrique Gonzalez Pedrero, all of whom occupy key positions, De la Vega and Lugo Gil "reign but do not govern." In an adverse environment, they are struggling to survive. Today it is the young men—the majority of the government leaders during the next 6-year term will be 40—and the economists trained abroad who dominate.

It is no accident that De la Madrid, a lawyer, has relied so heavily upon an economist, who may be the first president to have that professional background.

In a pioneering study of this subject made 20 years ago, Gustavo Abel Hernandez, a student of the elite, foresaw the end of the lawyers' era. The day of the technocrats has come.

5157

### Mexico City Metropolitan Area Cost-of-Living Data

32480039 [Editorial Report] The following cost of living data for the Mexico City metropolitan area have been extracted from reports on prices found in stores and markets at various locations in the area published in various issues of the Mexico City Spanish-language dailies EL DIA ("Metropoli" supplement; abbreviated as MS), LA JORNADA, and UNOMASUNO, as indicated. Prices are expressed in pesos and the unit of measure is kilograms, except where noted. The food categories for

which prices are monitored comprise a standard list of items widely considered necessary for meeting a family's minimal nutritional requirements.

- 1. Vegetable oil: saffron vegetable oil: 1,270 (official price) [UNOMASUNO 14 Sep 87 p 14].
- 2. Rice: No prices available (N/A).
- 3. Sugar: unrefined: 286 (official price) [UNOMASUNO 8 Sep 87 p 13]; refined: 455 (official price) [UNOMASUNO 8 Sep 87 p 13].
- 4. Pork: N/A.
- 5. Beef: N/A.
- 6. Beans: 535 (official price) [UNOMASUNO 14 Sep 87 p 14].
- 7. Fruits:

oranges: 159, 219, 225, 239, 249 (2 locations), 269, 280, 299, 345, 375 [EL DIA (MS) 19 Sep 87 p 4]; 164, 239 (2 locations), 275, 280, 289, 295, 309, 340, 379, 394 [EL DIA (MS) 23 Sep 87 p 4].

Starking apples: 645, 749, 799, 975, 999 (2 locations), 1,099, 1,540, 2,089 [EL DIA (MS) 19 Sep 87 p 4]; 539, 790, 797, 879, 924, 975, 999, 1,099, 1,209, 1,367, 1,599 [EL DIA (MS) 23 Sep 87 p 4].

- 8. Biscuits: N/A.
- 9. Wheat flour: N/A.
- 10. Eggs: 1,250 (official price for white eggs) [LA JORNADA 26 Sep 87 p 12]; 1,300 (white); 1,500 (red) [UNOMASUNO 28 Sep 87 p 14].
- 11. Milk: 415/liter (official price for high-grade pasteurized) [UNOMASUNO 20 Sep 87 p 14]; 409/liter (official price for pasteurized) [UNOMASUNO 28 Sep 87 p 14]; 430/liter (official price for special high-grade pasteurized) [UNOMASUNO 21 Sep 87 p 14].
- 12. Lard: N/A.
- 13. White bread: N/A.
- 14. Potatoes: N/A.
- 15. Pasta: N/A.
- 16. Fish: N/A.
- 17. Salt: N/A.
- 18. Tortillas: N/A.
- 19. Vegetables: tomatoes: 499 (2 locations), 605, 649, 664, 679, 680, 689 (2 locations), 800 [EL DIA (MS) 19 Sep 87 p 4]; 449, 499, 573, 599, 613, 619, 629, 640, 689 (2 locations), 699 [EL DIA (MS) 23 Sep 87 p 4].

### Robinson Reports on Tour Abroad; Follow-Up Action Set

#### Robinson Remarks

32980077a Port-of-Spain DAILY EXPRESS in English 2 Nov 87 p 1

[Text] Prime Minister A.N.R. Robinson said the success of his month-long overseas trade and investment mission depended a great deal on the follow-through action of the Government.

"We must pay a great deal of attention to follow-through action," Robinson said. "What we have done is to lay the foundation abroad and establish contacts and the new image of Trinidad and Tobago. We have projected the new policies and programmes and have received expressions of sympathy and support in knowledgeable and influential circles."

Robinson returned home yesterday after a 40-day trip which took him from Barbados to Los Angeles via Vancouver, New York, Toronto, Washington and Edmonton.

The Prime Minister said: "The main responsibility is ours and will continue to be ours. We have to develop our country through our own efforts, but we can better be able to do so if we receive the kind of sympathetic support and follow-up action from abroad, from those countries and institutions whose actions impact upon our lives in Trinidad and Tobago."

He said the mission had successfully mobilised that kind of sympathy and support. The success of the mission will be evidenced by announcements on the setting up of those enterprises discussed with investors in the months ahead, the Prime Minister said.

To a rousing welcome from supporters of the National Alliance for Reconstruction who turned out at Piarco International Airport yesterday evening, Robinson said:

"There is no place like home...and no welcome can be as warm as a home-coming welcome."

In a short, well received speech, Robinson said his mission abroad had a three-fold purpose of establishing the new image of the new Government of Trinidad and Tobago; establishing a link with the tens of thousands of nationals living on the North American continent; and establishing contacts with potential investors, especially with a view to developing the tourist industry of Trinidad and Tobago.

Robinson told the crowd it was a very encouraging experience to see how nationals abroad welcomed his delegation. He said they said it was the first time a Prime Minister of this country had visited them. Robinson said they feel very strongly about Trinidad and Tobago and are willing to do whatever they can to assist the structural development of our country.

Robinson said some people feel small countries should keep to themselves but in his opinion "the smaller you are and the more you have to contribute, then the more you should speak out."

He expressed gratitude to his colleagues for the efficient and competent manner in which they held office during his absence. "The future of our country for a long time rests on the shoulders of the rank and file of the NAR," Robinson said.

Robinson said the mission was successful in all three of its intents that said the world was "crying out for the kind of contribution Trinidad and Tobago and the NAR have to offer."

#### **Action Committee**

32980077a Port-of-Spain TRINIDAD GUARDIAN in English 5 Nov 87 p 1

[Text] Senator Ken Gordon, Minister of Industry, Enterprise and Tourism, will head a six-member Supervising and Co-ordinating Committee for follow-up action on the recent overseas mission headed by Prime Minister A.N.R. Robinson.

The committee was appointed yesterday at the end of a meeting to review the mission which took the Prime Minister and delegation to Barbados, the United States and Canada from September 20 to October 31.

Appointment of the committee is to be ratified by Cabinet.

With Senator Gordon on the committee are Ainsworth Harewood, Permanent Secretary in the Ministry of Finance and the Economy; Wilfred Naimool, Permanent Secretary in the Ministry of External Affairs and International Trade; Harold Atwell, Permanent Secretary, Ministry of Industry, Enterprise and Tourism; Dr Trevor Farrell, Deputy Chairman, National Economic Advisory Council, and Carlton de Souza, Financial Adviser to the Government.

Yesterday's meeting, chaired by Prime Minister Robinson, was attended by Basdeo Panday, Minister of External Affairs and International Trade; Senator Gordon, Selby Wilson and Trevor Sudama, Ministers in the Ministry of Finance and the Economy, and members of the overseas delegation and other Government officials.

Prime Minister Robinson said he accorded the highest priority to follow-up action on the mission. He said it would be a catalyst for activating the administrative machinery of Government to achieve the levels of output of which it was capable.

It was necessary, he added, to concretise the results of the mission so that it would feed into the preparation of the 1988 Budget.

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#### Venezuela Seizes Eight Icacos Fishing Boats, Crews

#### **Report on Arrests**

32980077b Port-of-Spain TRINIDAD GUARDIAN in English 5 Nov 87 p 7

[Text] San Fernando—Venezuelan National Guards, on Monday morning seized eight Icacos fishing boats and arrested 24 men.

Boats and fishermen were taken to Pedernales and have not yet been released. An official of the Fisheries Department said arrangements were being made through the External Affairs Ministry for the release of boats and men.

Incident took place just outside Soldado Rock in the Gulf of Paria and happened just four days after fishermen from the south west peninsula complained to members of the Venezuela/Trinidad and Tobago Fishing Commission about problems they were experiencing with the Venezuelan National Guards.

Cedros proprietor Aaron Badai, at a meeting with Commission members at Icacos one week ago, called on the Venezuelan officials present to inform their National Guards about the common fishing area known as the "free zone."

Trinidad and Tobago's Ambassador to Caracas, Christopher Thomas, on the request of Badai, who spoke on behalf of the fishermen explained the free zone and the special areas for shrimping and fishing.

On learning about the latest incident of seizure of boats and arrests of men, Badai expressed "shock" and felt that in view of the explanation, in the presence of the Venezuelan officials, such action should not have been taken.

### **Escaped Dragnet**

One of the Icacos fishing boat owners who escaped the "dragnet" on Monday said two boats with three Venezuelan Guards each, came upon them while they were "banking" just outside Soldado Rock. Several shots were fired by the Venezuelans but no one was hurt. "I managed to escape and return home," he said. He made it quite clear that they were fishing and not shrimping.

It was not clear whether the men were held in the free zone area and this, it is understood, is being investigated. One thing, an official of the Fisheries Department said, the boats seized were all registered.

### **Joint Fishing Talks**

32980077b Port-of-Spain TRINIDAD GUARDIAN in English 5 Nov 87 p 7

[Text] San Fernando—Establishment of a fishing port in the south west peninsula is the latest call by the fishermen in that part of the country. They want Government to pay some active attention to this area and allow for a free flow of the shrimping trade between the Venezuelans and Icacos and Cedros fishermen.

Making the plea on behalf of the fishermen, is Cedros proprietor Aaron Badai, who said that from information reaching him, he believed it was possible to have a fishing port established before an open port of entry in the interest of the fishing industry.

#### Unmolested

When members of the joint Venezuela/Trinidad and Tobago Fishing Commission visited Icacos last Thursday, Badai championed the cause of the fishermen and at the same time praised the Government of Venezuela for their interest and co-operation in seeing to it that the Trinidad fishermen carry out their trade unmolested by Venezuelan National Guards.

Badai also had high praise for Trinidad and Tobago's Ambassador to Caracas, Christopher Thomas who detailed the areas in Venezuelan waters, where the Trinidad fishermen are allowed to shrimp.

### "Big Mistake"

Fishermen were happy to learn that they could fish in the free zone area once they were registered, without being arrested.

After getting clarification and an explanation from Mr Thomas as to where they could shrimp in Venezuelan waters, Badai claimed that there was a "big mistake" in the existing agreement and fishermen were at a loss to know where they should shrimp.

He said, in the presence of members of the Fishing Commission that "this mistake has caused fishermen to get arrested and sometimes jailed. Some of them even starved because they were afraid to go out."

### **New Permits**

They are now pleased to know about the free zone and Badai called on the Venezuelan representatives present, to communicate with their National Guards and let them know about the free zone.

"There should be no more problems from now on," said Badai. Permits for the Trinidad fishermen are expected to arrive from Caracas by the end of this month for distribution.

/06091